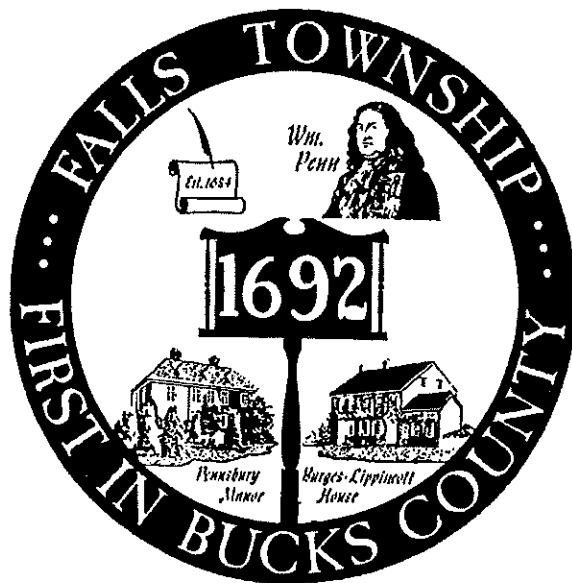


Township of Falls County of Bucks, Pennsylvania

“329 Years of Service to the Community”

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2021



Prepared by Jean E. Reukauf
Finance Director

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TOWNSHIP OF FALLS
COUNTY OF BUCKS, PENNSYLVANIA
DECEMBER 31, 2021

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TOWNSHIP OF FALLS
COUNTY OF BUCKS, PENNSYLVANIA
DECEMBER 31, 2021

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**INTRODUCTORY
SECTION**

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Township of Falls

BUCKS COUNTY, PA

Board of Supervisors

Jeffrey E. Dence • Jeffrey M. Boraski • Brian M. Galloway • John W. Palmer • Erin M. Mullen

December 30, 2022

To the Board of Supervisors and the Citizens of Falls Township:

The Annual Comprehensive Financial Report of the Township of Falls, Bucks County, Pennsylvania for the year ended December 31, 2021, is hereby submitted.

This report presents the financial position of the Township of Falls as of December 31, 2021, and the results of its operations and cash flows for its proprietary fund types for the year then ended. The financial statements and supporting schedules have been prepared by the Township's Finance Department in conformity with generally accepted accounting principles and audited in accordance with generally accepted auditing standards by Zelenkofske Axelrod, LLC, Certified Public Accountants.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control 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.

To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Township of Falls.

The organization, form, and contents of this Annual Comprehensive Financial Report and the accompanying financial statements and the statistical tables were prepared in accordance with standards established by the Governmental Accounting Standards Board (GASB), the Government Finance Officers' Association (GFOA), the American Institute of Certified Public Accountants (AICPA), and the Second Class Township Code of the Commonwealth of Pennsylvania.

U.S. generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designated to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Financial Entity

The Township of Falls provides a full range of municipal services including police and fire protection, construction and maintenance of streets and storm sewers, recycling, residential solid waste pickup, zoning regulations, building inspections, park and recreational activities, and maintenance and replacement of streetlights. In addition to general government activities, the governing body has a fiduciary responsibility for pension trust funds and custodial funds. Contributions to Fire Companies, Rescue Squads and the Library serving Falls Township residents are funded through real estate tax levies.

General Information

The Township of Falls is a Township of the Second Class under Pennsylvania law. The governing body of the Township is the Board of Supervisors which is comprised of five (5) members who are elected at large and serve six (6) year terms. The Board is empowered with legislative functions that include enacting ordinances and resolutions, adopting a budget, levying taxes, providing for appropriations, awarding bids and contracts, and making appointments to various boards and commissions. The chief executive officer of the Township is the Township Manager who is appointed by the Board of Supervisors. The Township Manager is responsible for implementing ordinances and resolutions of the Board, supervising the administration of all departments and boards, and preparing and submitting the annual budget and capital improvement programs for the Township.

The Township of Falls, incorporated July 27, 1692, encompasses approximately 26.5 square miles of the southeastern corner of Bucks County, Pennsylvania between the larger cities of Trenton, New Jersey and Philadelphia, Pennsylvania (6 miles and 9 miles apart, respectively) and is bordered by Tullytown Borough, Middletown Township, Lower Makefield Township, Morrisville Borough and the Delaware River with the State of New Jersey on the opposite side of the river. The Township and neighboring municipalities are closely related in terms of both economics and physical development and are served in some cases by the same highways, water lines and sewer lines. The 2020 U.S. Census reports a population of 34,716.

The Township is principally residential, commercial, and industrial in character. There are several major retail shopping areas in the Township, most notable of which are the Court at Oxford Valley and the Fairless Hills Shopping Center. Jefferson Health's Bucks County Campus, one of three major hospitals that serve the Lower Bucks County area, is in Falls Township.

The Pennsbury School District administrative offices are located within Falls Township. Pennsbury High School campus, east and west, and six grade schools serve the community with an approximate enrollment of 9,106. The district provides educational services to Falls Township and three neighboring municipalities. The school district has been named a model high school by the Federal Department of Education. Education from nursery school through the eighth grade is also provided by the Pen Ryn School, a private school within the Township's boundaries.

The Falls Township Police Department started on January 2, 1950, when Franklin Kirby was sworn in as the first Police Officer/Chief (Kirby had worked as a part time constable in 1948 and 1949). At that time, Kirby was the Township's only police officer. By 1959, the department had grown to 28 officers as the population of Falls Township grew with the establishment of the U.S. Steel facility. Today, the Falls Township Police Department has a force of 53 sworn officers. The towns of Morrisville, Fallsington, Fairless Hills, and Levittown all have residents within the borders of Falls Township.

The Police Department's 53 sworn officers includes the Chief of Police and two Lieutenants. The department has clerical and support personnel including a records division, evidence custodian/court liaison and range officers. The department has a fleet of 41 police vehicles. The Police Department has officers assigned to the Bucks County South SWAT Team and the Bucks County Major Incident Response Team (MIRT), as well as officers trained in traffic crash reconstruction, crisis negotiation, drug investigations and police canine. Currently, 13 officers are trained as Emergency Medical Technicians (EMTs).

The men and women of the Falls Township Police Department work hard to provide the highest level of police services to the community. The Department takes pride in proactively addressing issues through aggressive, targeted patrols. Officers are provided with the training and equipment needed to accomplish this mission. The Falls Township Police Department is accredited by the Pennsylvania Chiefs of Police Association and meets or exceeds the best practices standards of the police profession.

The Falls Township Police Department pioneered the concept of "Special Populations" to proactively address a wide range of issues including Megan's Law offenders, people suffering with mental illness, drug dependency and addiction, and the homeless.

The policing model that the Falls Township Police Department uses combines aspects of community-oriented policing, problem-oriented policing, intelligence-lead policing, and evidence-based policing with a proactive focus on traffic enforcement and drug enforcement.

The Falls Township Police Department has 2 co-responder programs. The Falls Township Supporting Recovery (FTSR) program consists of 2 co-responders who are trained as Certified Recovery Specialists (CRSs). The CRSs respond to and follow up on calls for service that involve substance use, connecting people in need with substance use treatment. The CRSs also conduct training in the use of Narcan and supply Narcan to different businesses in the community. The Human Services co-responder program consists of a social worker who responds to and follows up on calls for service involving mental health or domestic violence issues. The Human Services co-responder connects individuals in need in Falls Township with a variety of services that are available in Bucks County. Both programs improve the outcomes for individuals that have contact with the police and are in need of non-traditional police assistance.

The Falls Township Police Department seeks at all times to reduce serious crime, hold offenders accountable, maintain safety and order, reassure the public, provide quality services, use force and authority fairly and effectively, and use financial resources fairly, efficiently and effectively.

The Falls Township Fire Marshal's Department continually strives to achieve goals in fire safety and environmental concerns. The department is continuing to upgrade its operations by expanding its radio system for emergency management and municipal use. An ongoing project in the department includes an Emergency Preparedness Planning and training of various hotel/motel and business operators in the event of an emergency. This project helps both the responders and the community by gathering and distributing contact information before emergencies happen and training entities in the procedures to follow until rescue services arrive. The department also uses the Fire Safety Trailer for community functions to promote safety awareness for children and adults. The trailer simulates smoke in a home and fire officials train citizens what to do in the event of a fire and how to exit the home. They also distribute fire related materials, smoke detectors and offer free safety inspections. Most recently, the department launched a very successful Food Bank Program collecting non-perishable, non-expired food and toiletries for donation to our area food banks serving local, less fortunate families. Donations can be dropped off or non-contact pickup can be arranged by emailing Fallsfoodbank@fallstwp.com. The Fire Marshal's department is made up of the fire marshal, three full-time inspectors, and one secretary.

Falls Township is served by three volunteer Fire Companies – Falls Fire Company, Levittown Fire Company, and Fairless Hills Fire Company. The Township is also served by two Rescue Squads – Levittown Fairless Hills Rescue Squad and Capital Health EMS. These agencies provide professional emergency services to Falls Township twenty-four hours a day, seven days a week as well as serving neighboring communities in Pennsylvania and New Jersey, when requested. All agencies receive financial aid from tax dollars contributed by the Township (a total of \$533,000 in support for 2021) although tax funding covers only a portion of their operating costs. Most of the funding for operations comes from individual contributions via fund drives and other fund-raising events. In total, approximately one hundred individuals volunteer for the three Fire Companies and about twenty volunteer at the Rescue Squads.

The Falls Township Parks and Recreation Department is responsible for the overall supervision of nineteen parks, facilities, and open space areas. Falls Township's parks contain playgrounds, athletic fields, tot lots, basketball courts, gardens, trails, and pavilions encompassing over 408 acres. Our parks are also home to: the Challenger Field at the Levittown Continental Little League field located off of Mill Creek Road, which provides our special needs youths a fully accessible baseball field; an Inclusive Playspace on Phase I of the Township Community Park, which is completely accessible for anyone using a wheelchair or walker, allowing children of any ability to play; a fishing pier at the Community Park lake; a boat ramp located in Quaker Penn Park, which provides area boaters access to the Delaware River; and, a maintenance-free compost toilet facility in Quaker Penn Park benefitting users of the park's Babe Ruth baseball field and playground equipment. These parks, facilities, and open space areas are maintained by the Township's Public Works department and patrolled by the Park Security staff. In 2020, the department launched a playground replacement program intending to update/replace playgrounds on a yearly basis to bring our

play spaces up to the highest standards possible. This initiative began with the replacement of play equipment at Kirby Park and at Mill Creek Manor Playground. The Parks and Recreation Department also provides year-round programs and activities for our residents and non-residents as well.

In addition to the parks, the Parks and Recreation Department oversees operations at the Pinewood Pool. The pool was fully renovated in 2003, transforming a forty-year-old pool into a state-of-the-art facility designed for the safety and enjoyment of all swimmers. This pool provides entertainment for the community at extremely reasonable prices while maintaining the finest amenities. A new water slide was installed on the pool property in 2010. The wading pool underwent complete re-plastering and tilework in 2014, and the main pool underwent that same process prior to the season opening in 2016.

Economic Conditions and Outlook

The Township of Falls' initial growth was due largely to the location of the United States Steel plant in the Township in March of 1951. On 3,800 acres of farmland, the steel plant, referred to as the Fairless Works, employed 9,000 to 10,000 individuals from Falls Township and its surrounding communities. To accommodate the migration of steelworkers to Falls Township, Danhurst Corporation developed 1,100 single-family homes and William Levitt developed 4,000 single-family homes increasing the township's population from 3,000 to 30,000 residents. The Danhurst development was named Fairless Hills and the Levitt development called Levittown. Land values rose rapidly, enticing farmers to sell their land to developers.

From 1950 through the 1970s, the township experienced significant commercial development due largely to the mill operations. The Fairless Hills Shopping Center, along with several strip malls, was built to accommodate the needs of the growing population. Unfortunately, in 1973, the steel making operations at the Fairless Works began a steady decline. The downturn had a devastating effect on the Township's economy.

In the southern portion of Falls Township, the Warner Company developed a 46-acre landfill and began operations in August of 1970. The Warner Company, through its subsidiary Geological Reclamation Operations and Waste Systems, Inc. (G.R.O.W.S.), was issued permits to operate a solid waste disposal facility in the Morrisville section of the Township. The facility, which was subsequently sold to Waste Management, Inc., has expanded to approximately 752.8 acres since operations began. These operations provide the Township, as the host community, with waste disposal tonnage fees and benefit the residents through refuse removal and recycling pick up at no charge based on Solid Waste Agreements negotiated by Township Officials.

In 1991, a Development Agreement was signed with Wheelabrator Falls Inc., a subsidiary of Waste Management, Inc., to permit the construction of the first recycling and energy recovery facility in Bucks County. Operations began in May of 1994 providing the Township with an additional revenue stream of per-ton fees for refuse delivered to the plant.

The Township has experienced renewed economic growth due to the redevelopment of the former Fairless Works site. Although the major steel operations are no longer continuing, the sections of land previously occupied by the mill are being subdivided and redeveloped into building lots with several large industries locating, or in the process of locating, at this site.

In 2004, a large portion of the former Fairless Works site was designated a Keystone Opportunity Improvement Zone (KOIZ). This designation brought capital investment and job creation to Falls Township and, with the expiration of the tax abatement period in 2019, those businesses are now on the tax rolls. Some of the companies now located there include CSC Sugar, Reed Minerals, Airgas USA, Sika Corporation, Dominion Power, Toll Brothers, Morton Salt, Kinder Morgan, Exelon, A.L. Patterson, Abington Reldon, Hiossen, Mount Materials, Four Seasons Trucking, GMA Garnet, U.S. Steel Galvanizing, Kelly Pipe, Covanta, Fox Railroad Construction, Mazza Iron & Steel, Resource Recycling Management, LLC, and MM Metals USA, LLC.

In 2020, the redevelopment continued with NorthPoint Development, the new owner of 1,846 acres of the former U.S. Steel site, who plans to begin construction of 10 million square feet of warehouse space, attracting a variety of large Fortune 500 companies to Falls Township. Effective 1/1/2021, this site was designated a Keystone Opportunity Improvement Zone (KOIZ). This designation was approved by Falls Township, Pennsbury School District and Bucks County. As a KOIZ designated area, a fifteen-year tax abatement was granted to make the site more attractive to businesses opting to relocate into the Township. NorthPoint Development intends to rename the site the Keystone Trade Center. This expansive redevelopment project includes a multi-million-dollar remediation effort, demolition of old buildings, fresh landscaping throughout, upgraded utilities, and refreshed roadways and rail lines. The company is expected to invest more than \$1 billion into our community. Once complete, this project will provide between five- to ten-thousand new jobs for our Township.

One of the standards used by the financial industry to determine the financial condition of a municipality is an examination of the entity's ability to borrow funds. As of December 31, 1991, the Township could legally borrow up to \$5 million dollars. As of December 31, 2021, the Township is legally able to borrow over \$75.8 million dollars. The Board of Supervisors has not incurred debt since January 1, 1992.

Long-Term Financial Planning

The Township continues to maintain a long-term restricted savings account designed to be available when tipping fees from the landfill, operated by Waste Management, are no longer received. By December 31, 2021, the Township had approximately \$35,000,000 in the account. With aggressive savings and competitive interest rates, it is anticipated that the interest earned can assist the General Fund with a revenue stream on an annual basis achieving the Township's goal of funding operating costs long after tipping fees have ceased.

Relevant Financial Policies

Internal Control Structure: Management of the Township is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the Township are protected from loss, theft or misuse, that transactions are executed in accordance with management's integrity, and to ensure that adequate accounting data is compiled to allow for preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

Budgeting Controls: The annual budget is the financial blueprint for Falls Township. By documenting the allocation of funds, the budget reflects the policies and projects that are priorities to the Township. As per section 3201 of the Second-Class Township Code, the Township's fiscal year begins on the first day in January and ends on December 31st of that calendar year. Generally, a proposed budget for the ensuing fiscal year is approved by the Board of Supervisors in mid-December. The Second-Class Township Code permits the Board to amend the budget following any municipal election. The amended budget must then be adopted by February 15th and no proposed amended budget shall, before final adoption, be revised upward in excess of 10% in the aggregate or in excess of 25% of the amount of any major category.

Activities of the general fund, special revenue funds, and capital projects funds are included in the annual appropriated budget.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by departmental classification.

The Township also maintains an encumbrance accounting system as an additional technique of budgetary control. Encumbrances outstanding at year-end are liquidated.

Major Initiatives

Throughout 2021, Falls Township remained committed to providing services to our community despite the effects of the COVID-19 pandemic. Everyone across all departments of the organization stepped up to the challenges brought on by the pandemic and worked tirelessly to continue to provide outstanding service. Through technology and innovation, departments adapted to working and meeting remotely to ensure uninterrupted operations for the residents and businesses we serve. The Township has implemented new procedures and secured updated software systems to increase capabilities and efficiencies as we continue to move past the difficulties brought on by the coronavirus.

During 2021, the Township continued its participation in the Bucks County Consortium of Municipalities. The Consortium is comprised of all municipalities in Bucks County that employ professional management staff. The goal of the Consortium is to encourage inter-municipal cooperation in such areas as purchasing of materials and supplies, household hazardous waste collection and disposal, and personnel related matters.

Fiscal year 2021 marks the nineteenth year of the Township's participation in the NPDES (National Pollution Discharge Elimination System) Phase II. This is a program mandated by the Commonwealth of Pennsylvania. The Township continues to enforce all requirements associated in accordance with NPDES.

Also, in 2021, the Township planned for the full depth reconstruction of Elderberry Drive and the mill and overlay of Steel Road South, Steel Road West, Steel Road East, Nottingham Court, Nancia Drive, Jensen Drive, and Nottingham Drive. Full depth reconstruction historically has consisted of new curbs, driveway aprons, various sidewalks, storm sewer pipes and the roadway itself. The Township remains committed to its goal of the reconstruction of all Township-owned roadways.

Other Information

The independent auditor appointed by the Board of Supervisors for the year ended December 31, 2021 is the firm of Zelenkofske Axelrod, LLC. The independent auditor's report on the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information is included in the Financial Section of this report. Zelenkofske Axelrod, LLC has issued an unmodified opinion for the year ended December 31, 2021.

Certificate of Achievement

Falls Township has successfully participated in the Government Finance Officers Association of the United States and Canada's (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program for over twenty years. The Township last received this award for the December 31, 2019 Annual Comprehensive Financial Report. To be awarded a Certificate of Achievement, the Township published an easily readable and efficiently organized report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. The Township believes the current report conforms to the Certificate of Achievement program requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

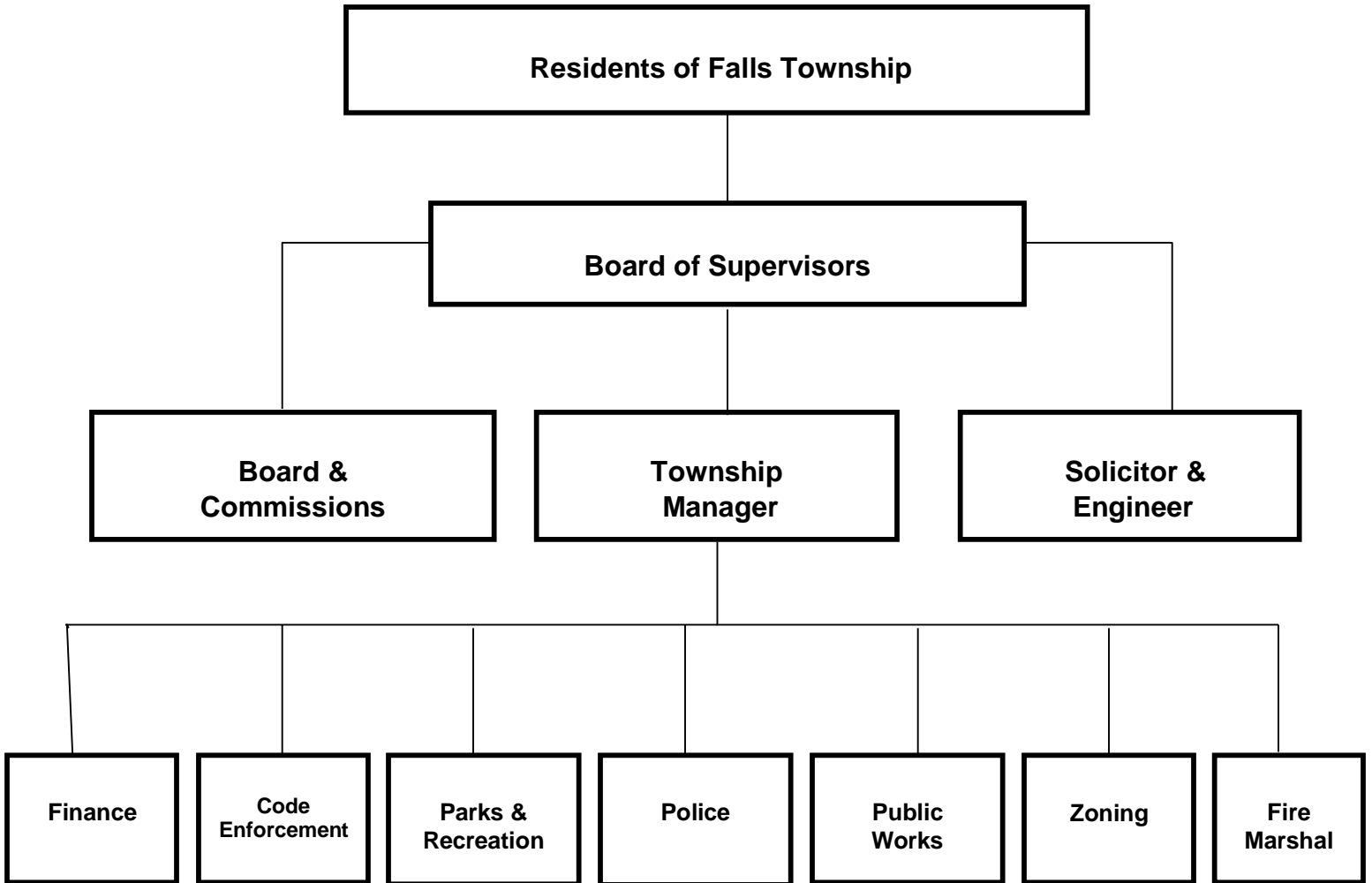
The preparation of the 2021 Annual Comprehensive Financial Report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Members of the Administration, Code Enforcement, Zoning, Fire Marshal, Parks and Recreation, Public Works, and Police departments who assisted and contributed to the preparation of this report have my sincere appreciation for their contributions. Due credit should be given as well to the Board of Supervisors for their interest, support and leadership in planning and conducting the operations of the Township in a responsible and progressive manner. Without their support, the preparation of this report would not have been possible.

Respectfully Submitted,



Jean E. Reukauf
Finance Director
December 30, 2022

**Falls Township
Organizational Chart**



Appointed Citizen Advisory Boards and Commissions

- | | |
|--|-----------------------------------|
| Board of Auditors | Cable Advisory Board |
| Environmental Advisory Council | Board of Appeals |
| Disabled Persons Advisory Board | Parks and Recreation Board |
| Planning Commission | Zoning Hearing Board |
| Police Pension Committee | Shade Tree Commission |
| Historic Preservation Commission | |
| Neighborhood Traffic Advisory Committee | |
| Community and Economic Development Commission | |

2021 BOARD OF SUPERVISORS

Jeffrey E. Dence, Chairperson

Jeffrey M. Boraski, Vice Chairperson

Brian M. Galloway, Secretary/Treasurer

John W. Palmer, Member

Erin M. Mullen, Member

CURRENT EXECUTIVE OFFICIALS

Matthew Takita, AIA, MCP, Township Manager/CCEO/Zoning Officer

Michael P. Clarke, Esq., Township Solicitor

Joseph G. Jones, PE, CFM, Township Engineer

Nelson Whitney, Police Chief

Henry Ward, Police Lieutenant

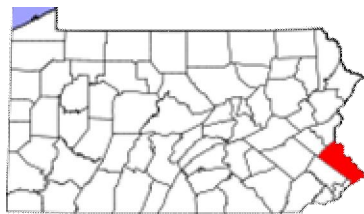
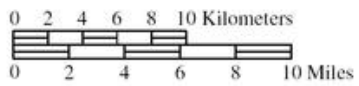
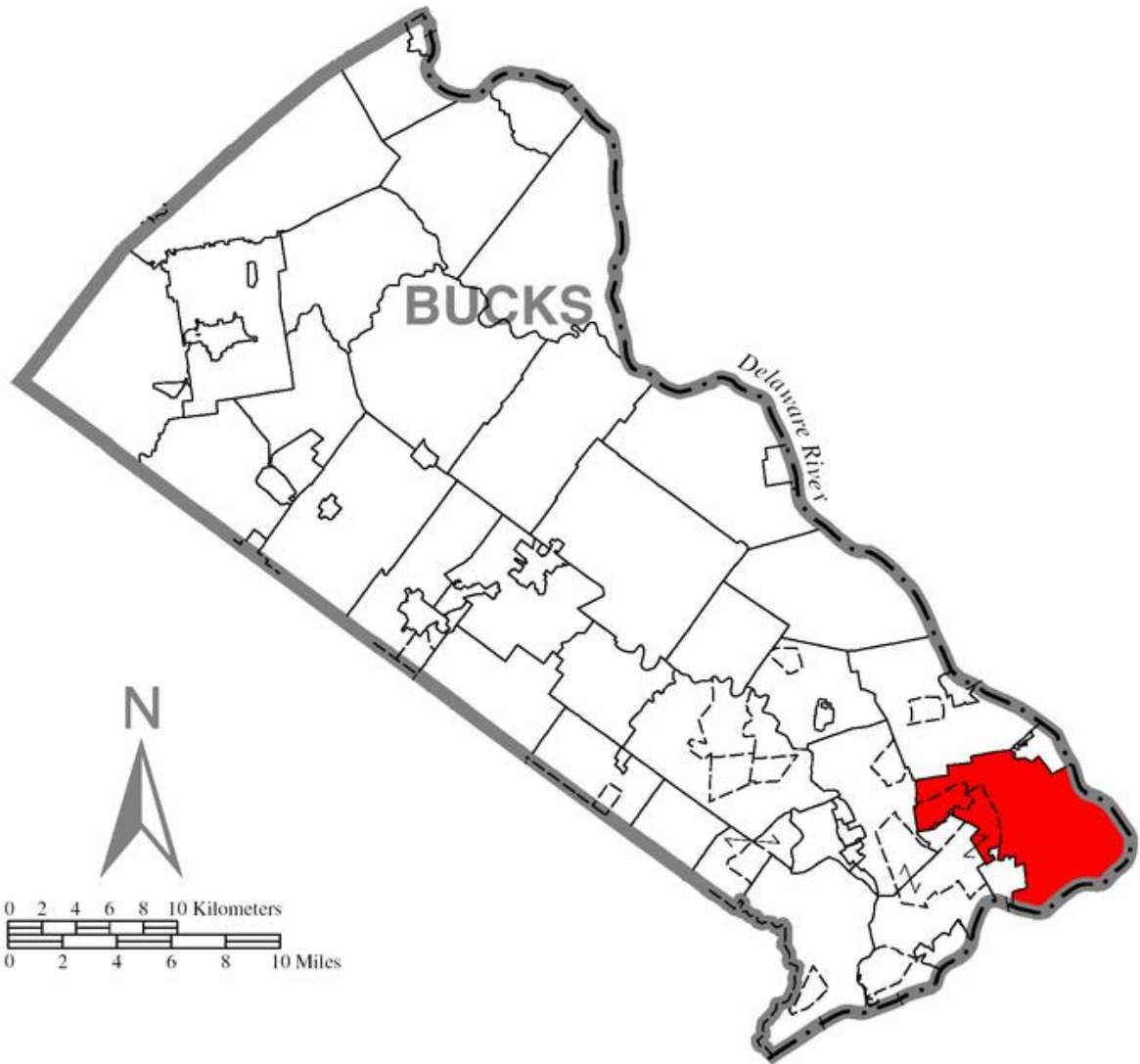
Jean E. Reukauf, Finance Director

Richard Dippolito, CFEI, CVFI, Emergency Services Director/Fire Marshal

Jason R. Lawson, Public Works Director

Brian Andrews, Parks & Recreation Director

**TOWNSHIP OF FALLS
BUCKS COUNTY, PENNSYLVANIA**



**FINANCIAL
SECTION**

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Zelenkofske Axelrod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

INDEPENDENT AUDITOR'S REPORT

To the Board of Supervisors
Township of Falls
Fairless Hills, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and statement of revenues, expenditures, and changes in fund balances – budget and actual – general fund of the Township of Falls, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise Township of Falls' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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 the Township of Falls as of December 31, 2021, and the respective changes in financial position, cash flows, and statement of revenues, expenditures, and changes in fund balances – budget and actual – general fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township of Falls' ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material

830 Sir Thomas Court, Suite 100, Harrisburg, PA 17109
3800 McKnight East Drive, Suite 3805, Pittsburgh, PA 15237
34745 Burbage Road, Frankford, DE 19945

2370 York Road, Suite A-5, Jamison, PA 18929
420 Chinquapin Round Road, Suite 2-i, Annapolis, MD 21401
210 Tollgate Hill Road, Greensburg, PA 15601



Zelenkofske Axelrod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

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

Adoption of Governmental Accounting Standards Board Pronouncements

As described in Note 4 to the financial statements, in 2021 the Township of Falls adopted the provisions of Governmental Accounting Standards Board's Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, and Statement No. 93, *Replacement of Interbank Offered Rates*. Our opinions are not modified with respect to these matters.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of changes in plans' net pension liability and related ratios, employer contributions, and investment returns, and the schedule of changes in the OPEB plan's liability and related ratios on pages 18 through 29 and pages 75 through 81 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Zelenkofske Axlerod LLC

CERTIFIED PUBLIC ACCOUNTANTS

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Falls' basic financial statements. The combining and individual nonmajor fund financial statements, capital asset schedules and budgetary comparison schedules 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, capital asset schedules and budgetary comparison schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, capital asset schedules and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report

Management is responsible for the other information included in the Annual Comprehensive Financial Report (ACFR). The other information comprises information included in the ACFR, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Zelenkofske Axlerod LLC

Jamison, Pennsylvania
December 30, 2022

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Unaudited

As management of the Township of Falls (the Township), we offer readers of the Township's financial statements this narrative overview and analysis of the financial activities of the Township for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the additional information that we have furnished in our Letter of Transmittal, which can be found on pages 3-9 of this report. Readers should also review the independent auditor's report, the notes to the basic financial statements, and the financial statements themselves to enhance their understanding of the Township's financial performance.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the governmental activities of the Township exceeded its liabilities and deferred inflows of resources by \$121,855,804 and \$116,742,373 at the close of the years ended December 31, 2021 and 2020, respectively. Of the 2021 amount, \$31,808,004 may be used to meet the government's ongoing obligations for the general operations of the Township, whereas in 2020, \$26,761,908 was available for that purpose.

The Township's governmental net position increased by a total of \$5,113,431 during 2021. This increase in net position is primarily due to a rise in the Township's cash reserves. The influx of cash to the Township is due to the opening of the Fairless Landfill, a new municipal waste landfill, constructed on a brownfield site at the Keystone Industrial Port Complex (KIPC) in late 2016.

As of the end of 2021, Falls Township's governmental funds reported combined ending fund balances of \$60,409,658. As a comparison, at the end of 2020, the balance was \$55,148,866, an increase of \$5,260,792.

Business-type activities' net position increased by \$42,538 from (\$7,604) in 2020. The reason for this increase was reopening the pool in 2021 after closure due to the COVID-19 pandemic.

At the end of the 2021, the unassigned fund balance for the general fund was \$49,979,065 or 176% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the Township's basic financial statements. Falls Township's basic financial statements are comprised of three components:

- 1) government-wide financial statements
- 2) fund financial statements
- 3) notes to the financial statements

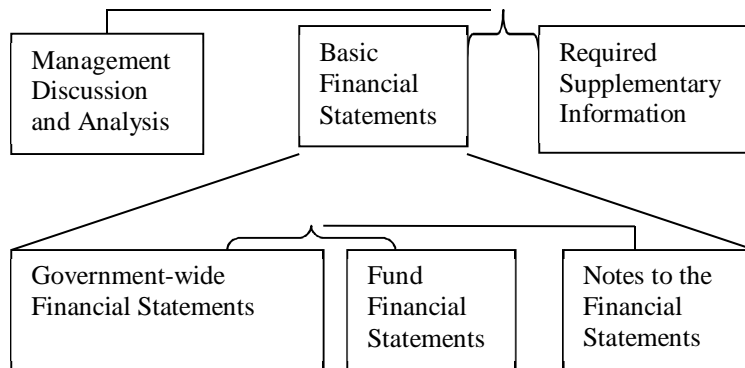
This report also contains other supplementary information in addition to the basic financial statements themselves.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Figure 1 shows how the required parts of the Financial Section are arranged and relate to one another.

Figure 1
Required Components of
Falls Township's Financial Report



Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of Falls Township's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Township's assets plus deferred outflows of resources less liabilities, with the net reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township is improving or deteriorating. To assess the overall health of the Township, you need to consider additional non-financial factors, such as changes in the property tax base or the condition of Township infrastructure.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as uncollected taxes and earned but unused leave.

Both government-wide financial statements distinguish functions of the Township that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Township include general government, public safety, highways, and parks and recreation. The business-type activities of the Township include the ongoing operation of a recreational pool.

The government-wide financial statements can be found on pages 33 and 34 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Township of Falls, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of Falls Township can be divided in to three categories: governmental funds, proprietary funds, and fiduciary funds.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Falls Township maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in the fund balances for the General fund and the Capital Reserve fund, which are considered major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Falls Township adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 35-39 of this report.

Proprietary Funds

Falls Township maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Falls Township uses an enterprise fund to account for its Pinewood Pool Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 40-42 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Township's own programs. The accounting used for fiduciary funds is much like that used for the proprietary funds.

The basic fiduciary fund statements can be found on pages 43 and 44 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 45-72 of this report.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Township's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required supplementary information can be found on pages 75-81 of this report.

The combining statements referred to earlier in connection with the nonmajor governmental funds are presented immediately following the required supplementary information on pensions and other postemployment benefits. Combining and nonmajor governmental fund budget comparison schedules can be found on pages 85-97 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. For Falls Township, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$121,890,738 and \$116,734,769 at the close of the years ended December 31, 2021 and 2020, respectively.

The following table provides a summary of the Township's net position on December 31, 2021 compared to the prior year's figures:

TOWNSHIP OF FALLS NET POSITION						
	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 66,134,434	\$ 58,366,973	\$ -	\$ -	\$ 66,134,434	\$ 58,366,973
Capital Assets	87,553,541	87,526,313	162,700	162,700	87,716,241	87,689,013
Total Assets	<u>\$ 153,687,975</u>	<u>\$ 145,893,286</u>	<u>\$ 162,700</u>	<u>\$ 162,700</u>	<u>\$ 153,850,675</u>	<u>\$ 146,055,986</u>
Deferred Outflows of Resources	<u>\$ 5,615,524</u>	<u>\$ 1,665,611</u>	<u>-</u>	<u>\$ -</u>	<u>\$ 5,615,524</u>	<u>\$ 1,665,611</u>
Long-term liabilities outstanding	\$ 31,422,731	\$ 26,793,706	\$ -	\$ -	\$ 31,422,731	\$ 26,793,706
Other liabilities	5,165,594	3,091,988	127,766	170,304	5,293,360	3,262,292
Total Liabilities	<u>\$ 36,588,325</u>	<u>\$ 29,885,694</u>	<u>\$ 127,766</u>	<u>\$ 170,304</u>	<u>\$ 36,716,091</u>	<u>\$ 30,055,998</u>
Deferred Inflows of Resources	<u>\$ 859,370</u>	<u>\$ 930,830</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 859,370</u>	<u>\$ 930,830</u>
Net Position:						
Net investment in capital assets	\$ 87,553,541	\$ 87,526,313	\$ 162,700	\$ 162,700	\$ 87,716,241	\$ 87,689,013
Restricted	2,494,259	2,283,848	-	-	2,494,259	2,283,848
Unrestricted (deficit)	31,808,004	26,932,212	(127,766)	(170,304)	31,680,238	26,761,908
Total Net Position	<u>\$ 121,855,804</u>	<u>\$ 116,742,373</u>	<u>\$ 34,934</u>	<u>\$ (7,604)</u>	<u>\$ 121,890,738</u>	<u>\$ 116,734,769</u>

The largest portion of Falls Township's net position, 72.0%, reflects its net investment in capital assets (land, building, machinery, equipment, open space, and roads/road improvements). Falls Township uses these capital assets to provide services to the citizens and, therefore, these assets are not available for future spending. Note that all capital assets reported have no outstanding debt on their initial purchases.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

A small portion of Falls Township's net position, 26.0%, represents resources that are subject to external restrictions on how they may be used. The remaining balances of unrestricted net position, \$31,680,238 may be used to meet the government's ongoing obligations to citizens and creditors of the Township.

At the end of the current fiscal year, Falls Township reports positive balances in all three categories of net position for the government as a whole.

CHANGES IN NET POSITION

Governmental activities

Governmental activities increased Falls Township's net position by \$5,113,431 for the year ended December 31, 2021, adding to the increase of \$1,374,703 for the year ended December 31, 2020. The recovery of cash reserves in 2021, while much less than the prior year, is due to the continued revenue from tipping fees received from Waste Management landfill operations. Fiscal year 2017 was the first full year of operations of the Fairless Landfill, a new municipal waste landfill, consisting of 330.5 acres of permit area, of which 197 acres are for waste disposal. Falls Township is committed to maintaining high quality services and recreation facilities for its residents without increasing real estate taxes or charging exorbitant user fees. The Township has been able to expend cash reserves when needed to meet rising costs without burdening our residents.

Business-type activities

Business-type activities increased Falls Township's net position by \$42,538 for the year ended December 31, 2021 negating most of the 2020 decrease in net position of \$47,337. In March 2020, the World Health Organization recognized the novel strain of coronavirus, COVID-19, as a global pandemic, causing the United States government to declare a national emergency. As a result, all businesses not deemed life sustaining were forced to close temporarily. This included the closure of the Township's Pinewood Pool for the 2020 season. The pool opened in 2021 and generated \$207,837 in operating revenues.

The results of this year's operations as a whole are reported in the Statement of Activities on page 34. All expenses are reported in the first column. Specific charges, grants and contributions that directly relate to specific expense categories are netted against them to determine the final amount of the Township's activities that are supported by other general revenues, primarily Host Community Fees and Property Taxes. Basically, the Statements show which Township expenses are funded by specific program revenues and the balances of expenses left to be funded by general revenues.

The following table takes the information from the Statement of Activities and rearranges it slightly, so you can see the Township's total revenues for the year ended December 31, 2021 compared to the prior year's figures.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

TOWNSHIP OF FALLS
CHANGES IN NET POSITION

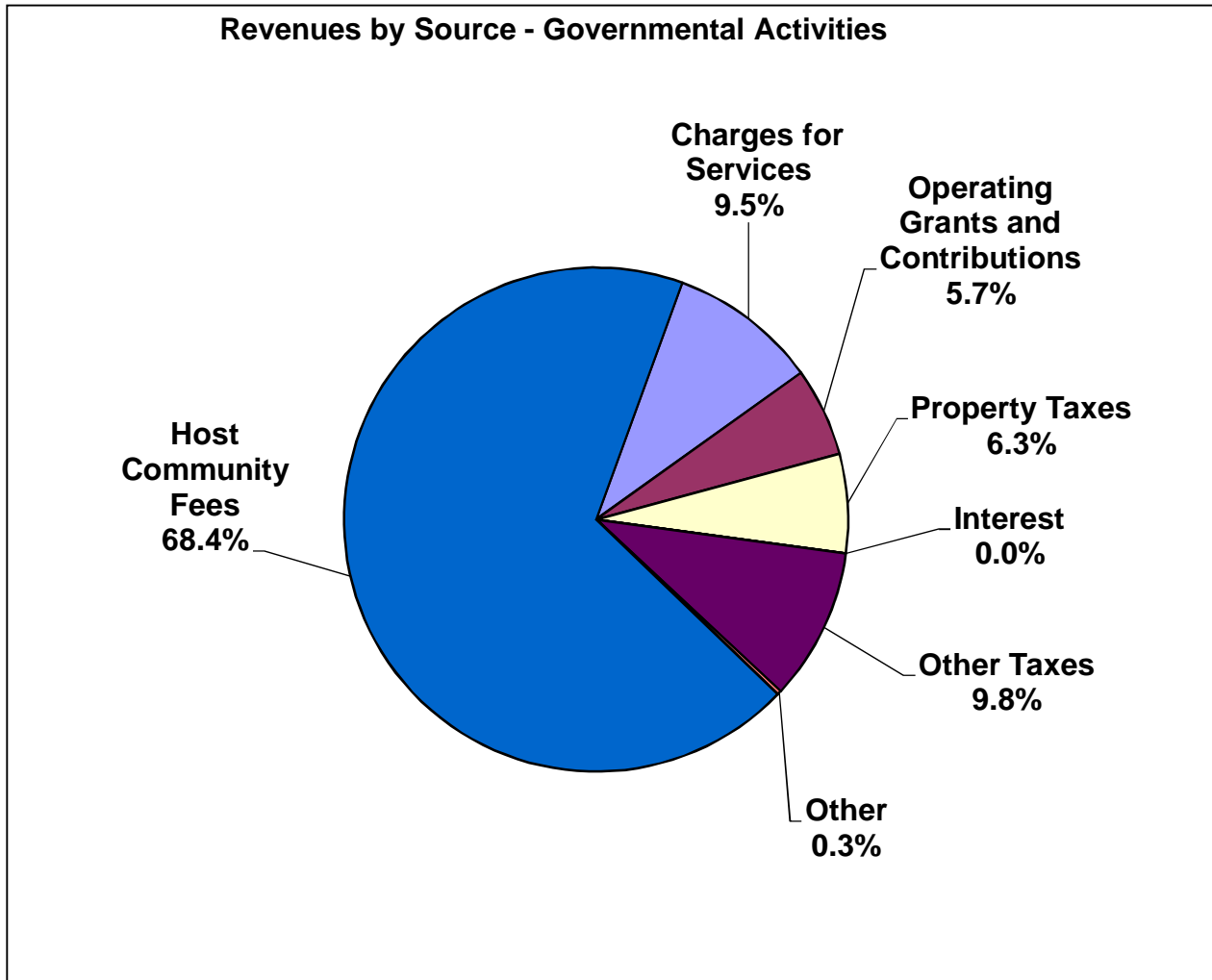
	Governmental Activities		Business-Type Activities		Totals	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues:						
Charges for services	\$ 3,502,635	\$ 2,947,969	\$ 207,837	\$ -	\$ 3,710,472	\$ 2,947,969
Operating grants and contributions	2,092,984	2,060,483	-	-	2,092,984	2,060,483
Capital grants and contributions	-	-	-	-	-	-
General Revenues:						
Property taxes	2,322,828	2,386,023	-	-	2,322,828	2,386,023
Other taxes	3,594,259	1,661,795	-	-	3,594,259	1,661,795
Host Community Fees	25,087,169	21,630,113	-	-	25,087,169	21,630,113
Other	92,252	843,806	-	-	92,252	843,806
Total Revenues	<u>36,692,127</u>	<u>31,530,189</u>	<u>207,837</u>	<u>-</u>	<u>36,899,964</u>	<u>31,530,189</u>
EXPENSES:						
General Government	4,520,223	3,912,871	-	-	4,520,223	3,912,871
Public Safety	19,669,655	18,449,272	-	-	19,669,655	18,449,272
Highway and Streets	6,136,621	6,311,940	-	-	6,136,621	6,311,940
Parks and Recreation	1,202,197	1,431,403	-	-	1,202,197	1,431,403
Pinewood Pool	-	-	215,299	97,377	215,299	97,377
Total Expenses	<u>31,528,696</u>	<u>30,105,486</u>	<u>215,299</u>	<u>97,377</u>	<u>31,743,995</u>	<u>30,202,863</u>
Excess (deficiency) before transfers	5,163,431	1,424,703	(7,462)	(97,377)	5,155,969	1,327,326
Transfers	(50,000)	(50,000)	50,000	50,000	-	-
Change in Net Position	5,113,431	1,374,703	42,538	(47,377)	5,155,969	1,327,326
Net Position, Beginning	116,742,373	115,367,670	(7,604)	39,773	116,734,769	115,407,443
Net Position, Ending	<u>\$ 121,855,804</u>	<u>\$ 116,742,373</u>	<u>\$ 34,934</u>	<u>\$ (7,604)</u>	<u>\$ 121,890,738</u>	<u>\$ 116,734,769</u>

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Governmental Activities

The following chart shows the Government-wide sources of revenues for the year ended December 31, 2021:

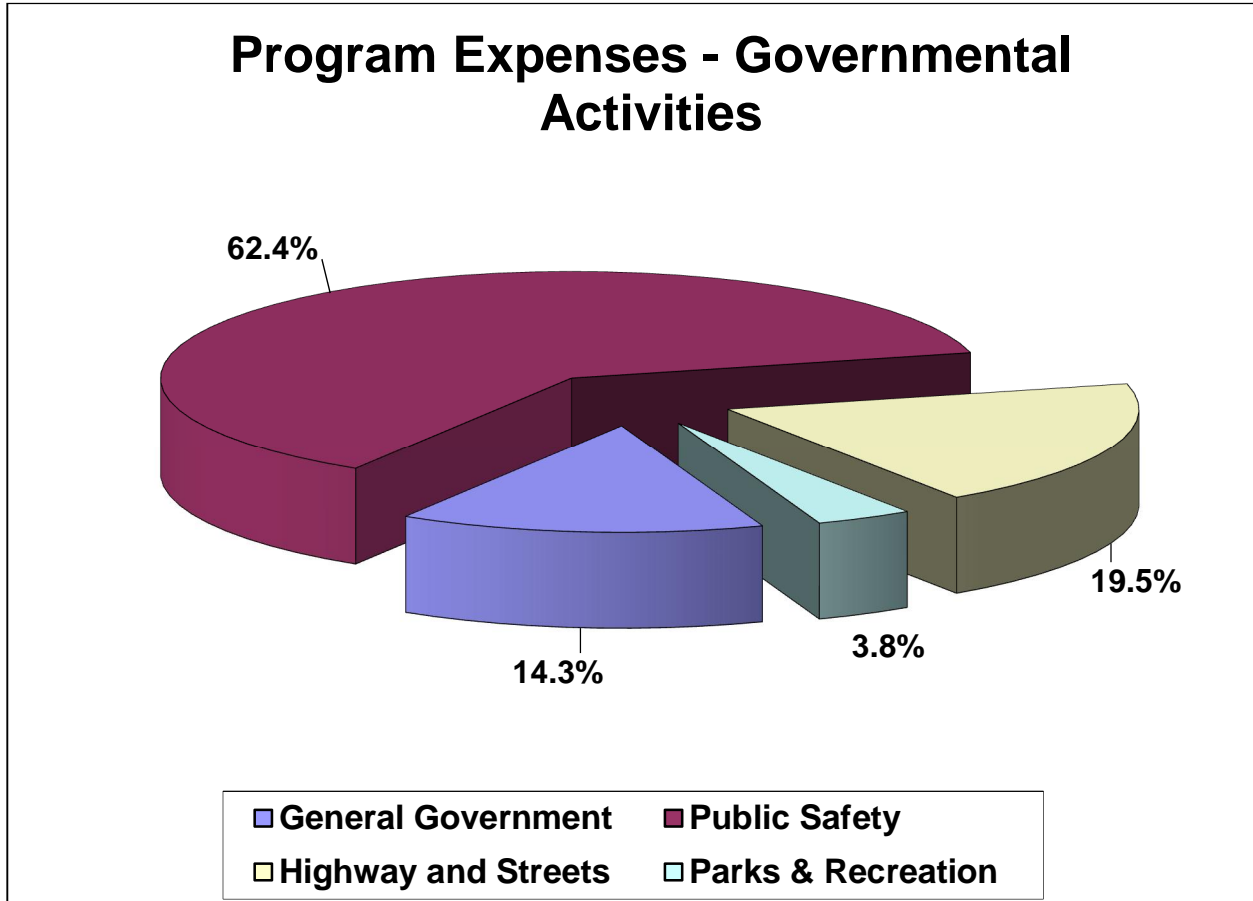


Of the total Government-wide revenues of \$36,592,127, \$25,087,169 were Host Community Fees or “tipping” fees received from Waste Management for the landfill and incinerator operations. Also contributing to the Township’s revenue stream were Charges for Services with revenues of \$3,502,635 which were generated for various items from business licenses to permits. Property taxes netted the Township \$2,322,828. Other Taxes brought in \$3,594,259, Operating Grants and Contributions added \$2,092,984, Interest Earnings (Loss) netted (\$111,687), and Other (miscellaneous) revenues were \$203,939.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

The following chart shows the Government-wide sources of program expenses for the year ended December 31, 2021.



Most of the expenses that occurred in the year 2021 were related to Public Safety. Public Safety expenses were \$19,669,655. This broad category encompasses police protection, animal control, fire marshal's services, code enforcement, zoning services and environmental protection. Highway and Streets expenses were \$6,136,621 which includes road reconstruction, engineering costs, construction and rebuilding of storm sewers, operation and maintenance of traffic signals, and snow removal. Parks and Recreation expenses were \$1,202,197 which includes maintenance/upgrades at 19 parks, facilities, and open space areas. General Government expenses were \$4,520,223 and include costs for staffing, benefits, insurance, and various other administrative costs.

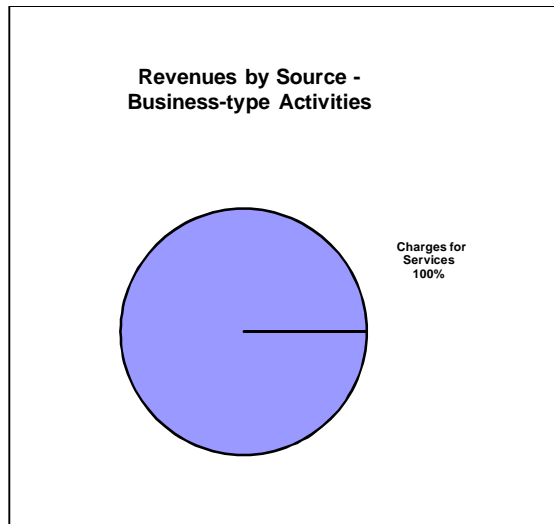
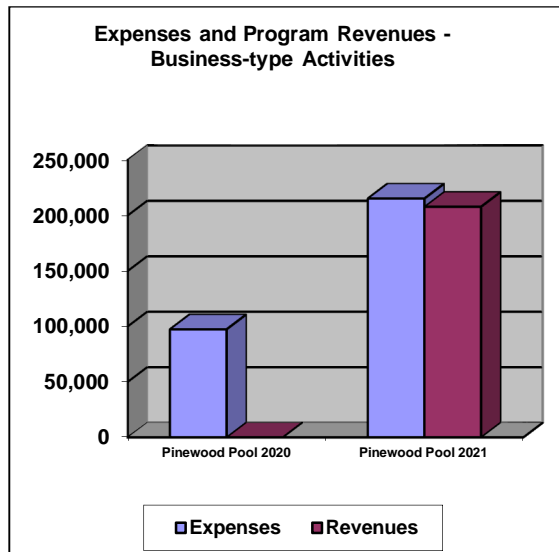
Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Business-type activities

Business-type activities increased the Township's net position by \$42,538. The single business-type activity of Falls Township is the operation of the Pinewood Pool.

The Pinewood Pool fund experienced an operating loss of \$7,462 in 2021 compared to a 2020 operating loss of \$97,377. The operating losses were wholly and partially offset, respectively, by interfund transfers in the amount of \$50,000 each from the Township's Host Community Fees Fund. Due to the Covid-19 pandemic, the Pool was reopened in 2021 after being closed for the 2020 season in compliance with CDC guidelines generating zero revenue.



Charges for services represent 100% of program revenues for the Pinewood Pool. While annual increases in operating costs continue to outpace revenues, with more aggressive marketing, a “refer a friend” rebate offer, and added programming at the pool, we are working to close the gap between revenues and expenses through increased memberships and guest attendance as we re-open and move past the restrictions of the past year. The Township continues to offer low membership rates to residents in the interest of providing affordable family entertainment.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

As Falls Township completed the year, its governmental funds reported a combined fund balance of \$60,409,658 an increase of \$5,260,792 compared to the previous year. Of the combined fund balance total: \$49,979,065 constitutes *unassigned fund balance*, which is available to meet the Township's current and future needs at the Township's discretion; an additional \$7,851,938 is assigned for specific purposes; \$2,038,766 is restricted for particular purposes; and, the remaining \$539,889 is nonspendable.

As noted earlier, Falls Township uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of Falls Township's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful; in assessing Falls Township's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

General Fund

The General Fund is the chief operating fund of Falls Township. At the end of the current fiscal year, unassigned fund balance of the general fund was \$49,979,065 while total fund balance reached \$60,409,658. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures of \$28,471,418. The total fund balance of Falls Township's general fund increased \$5,242,927 during 2021. This is the result of continued income from Waste Management for tipping fees at the new Fairless Landfill. Host Community Fees topped \$25 million in 2021. The host community fees received from Waste Management allow Falls Township to provide high quality services to our residents without raising real; estate taxes.

Capital Reserve

The Capital Reserve fund serves to finance various Township purchases and projects. At the end of 2021, the assigned and total fund balance was \$2,340,491. This is an increase in the amount of \$81,578. With no dedicated revenue stream in this fund, annual expenditures are closely monitored so they do not deplete the remaining fund balance.

Proprietary Funds

Falls Township's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Pinewood Pool

The Pinewood Pool fund accounts for the operations of a recreational community pool. At the end of 2021, the net position was \$34,934. This represents an increase of \$42,538 over the prior year. The community pool saw no revenue in 2020 due to its season-long closure because of the COVID-19 pandemic. The operating losses in 2021 and 2020 were partially offset by interfund transfers of \$50,000 each year. The Township strives to offer a state-of-the-art facility at an affordable rate for our residents.

General Fund Budgetary Highlights

No differences between the original budget and the final amended budget occurred during the year. Some of the highlights of the comparison between the original budget and actual were as follows. Overall, total revenues came in over budget by \$5,951,925 for 2021. The largest contributing factor was the increase in anticipated revenue received from Waste Management for Host Community Fees in the amount of \$3,632,469. The closure of businesses during the COVID-19 pandemic greatly impacted the tonnages of refuse collected and processed by Waste Management. Reduced tonnages translate to reduced tipping fees of Falls Township. Total expenditures for the year were under budget by a total of \$4,837,615. The

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

greatest savings occurred in expenditures for Capital Outlays with Public Works- Highway and Streets under budget by \$2,988,451. Many of the budgeted projects not completed in 2021 have been carried forward to the 2022 budget.

Capital Asset and Debt Administration

Capital Assets

The Township's investment in capital assets for its governmental and business type activities as of December 31, 2021, amount to \$87,716,242 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, open space, roads, and bridges.

Major capital asset events during 2021 included the following:

The purchase of a 2020 International HV507 SFA Truck with upfitting and three 2022 Ford F-550 Trucks at a combined cost of \$331,911 for the Public Works Department.

The purchase of a 2021 Ford Explorer at a cost of \$34,190 for the Fire Marshal's Office.

Road improvements for various roads in the Township amounting to \$3,505,995.78 in construction and engineering costs. And an adaptive traffic signal project was completed for intersection improvement at a cost of \$49,350.

Park improvements and a new dasher board system at the Community Park Hockey Rink were completed totaling \$214,963.67. And the purchase of two 2021 Ford Escape SE vehicles for the Parks & Recreation Department at a total cost of \$47,210.28.

Capital purchases for the Police Department, including five new vehicles, 98 Smith & Wesson firearms (less trade-ins), 10 Blackhawk holsters, and 14 Watchguard Systems with accessories, totaling \$342,697.60.

TOWNSHIP OF FALLS
CAPITAL ASSETS
(Net of Accumulated Depreciation)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Land	\$ 16,460,926	\$ 16,460,926	\$ 162,700	\$ 162,700
Construction in Progress	13,337	746,526	-	-
Building and system	1,494,414	1,719,638	-	-
Improvements other than Building	1,132,094	1,200,185	-	-
Machinery and Equipment	1,604,152	1,270,675	-	-
Infrastructure	<u>66,848,619</u>	<u>66,128,363</u>	<u>-</u>	<u>-</u>
 Total	 <u>\$ 87,553,542</u>	 <u>\$ 87,526,313</u>	 <u>\$ 162,700</u>	 <u>\$ 162,700</u>

Additional information on Falls Township's capital assets can be found in Note D on pages 53 and 54 of this report.

Township of Falls
Bucks County, Pennsylvania

Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended December 31, 2021

Debt Administration

As of December 31, 2021, Falls Township had no outstanding long-term bonds or notes debt.

Information on Falls Township's long-term liabilities can be found in Note F on page 55 of this report.

Economic Factors and Next Year's Budgets and Rates

Tipping fees received from the landfill located in the Township have been on the rise since 2008, netting \$8.6 million that year and rising to an average of \$13.8 million for fiscal years 2012 through 2015. Fiscal year 2016 brought in over \$14 million, while 2017 saw revenues spike to over \$20 million with the first full year of operation of the Fairless Landfill. That spike continues through 2022 with this year's operations on track to bring in over \$22 million. Waste Management has projected that 2023 tonnages will be slightly lower than fiscal year 2022 estimating Falls Township revenues of approximately \$21.8 million in 2023.

These factors were considered in preparing the Falls Township budgets for 2022 and 2023.

Requests for Information

Falls Township's financial report is designed to provide a general overview of the Township's finances for those interested in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Director, Falls Township, 188 Lincoln Highway, Suite 100, Fairless Hills, Pa 19030.

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BASIC FINANCIAL STATEMENTS

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TOWNSHIP OF FALLS
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 38,551,567	\$ -	\$ 38,551,567
Investments	23,127,117	-	23,127,117
Taxes receivable	76,664	-	76,664
Accounts Receivable, net of allowance for uncollectibles	3,218,449	-	3,218,449
Prepaid assets	539,889	-	539,889
Internal balances	125,337	(125,337)	-
Total Current Assets	<u>65,639,023</u>	<u>(125,337)</u>	<u>65,513,686</u>
Noncurrent Assets:			
Net pension asset - nonuniform pension plan	495,411	-	495,411
Capital Assets, net of accumulated depreciation			
Land	16,460,926	162,700	16,623,626
Construction in progress	13,337	-	13,337
Buildings and systems	1,494,414	-	1,494,414
Infrastructure	66,848,619	-	66,848,619
Improvements other than buildings	1,132,093	-	1,132,093
Machinery, equipment and vehicles	1,604,152	-	1,604,152
Total Capital Assets	<u>87,553,541</u>	<u>162,700</u>	<u>87,716,241</u>
TOTAL ASSETS	<u>153,687,975</u>	<u>37,363</u>	<u>153,725,338</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts related to police pension	3,574,838	-	3,574,838
Deferred amounts related to nonuniform pension	203,876	-	203,876
Deferred amounts related to other postemployment benefits	1,836,810	-	1,836,810
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>5,615,524</u>	<u>-</u>	<u>5,615,524</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	1,050,965	932	1,051,897
Accrued salaries and benefits	384,996	1,497	386,493
Unearned revenue	2,028,742	-	2,028,742
Deposits	830,800	-	830,800
Portion due or payable within one year:			
Compensated absences	870,091	-	870,091
Total Current Liabilities	<u>5,165,594</u>	<u>2,429</u>	<u>5,168,023</u>
Long-term Liabilities			
Portion due or payable after one year:			
Compensated absences	1,442,896	-	1,442,896
Net police pension liability	19,994,665	-	19,994,665
Other postemployment benefits	9,985,170	-	9,985,170
Total Long-Term Liabilities	<u>31,422,731</u>	<u>-</u>	<u>31,422,731</u>
TOTAL LIABILITIES	<u>36,588,325</u>	<u>2,429</u>	<u>36,590,754</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts related to police pension	68,382	-	68,382
Deferred amounts related to nonuniform pension plan	418,370	-	418,370
Deferred amounts related to other postemployment benefits	372,618	-	372,618
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>859,370</u>	<u>-</u>	<u>859,370</u>
NET POSITION			
Net investment in capital assets	87,553,541	162,700	87,716,241
Restricted for:			
Recycling expenditures	455,493	-	455,493
Parks and recreation	455,493	-	455,493
Rescue squad	401,720	-	401,720
Crime prevention	30,970	-	30,970
Fire hydrant	109,217	-	109,217
Fire protection	23,002	-	23,002
Library	3,342	-	3,342
Highway aid	743,725	-	743,725
Street lighting	271,297	-	271,297
Unrestricted (deficit)	<u>31,808,004</u>	<u>(127,766)</u>	<u>31,680,238</u>
TOTAL NET POSITION	<u>\$ 121,855,804</u>	<u>\$ 34,934</u>	<u>\$ 121,890,738</u>

TOWNSHIP OF FALLS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	General Fund	Capital Reserve	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 32,709,644	\$ 3,759,328	\$ 2,082,595	\$ 38,551,567
Investments	23,127,117	-	-	23,127,117
Accounts receivable (net of allowance for uncollectibles)	3,218,234	1	214	3,218,449
Taxes receivable	27,939	-	48,725	76,664
Interfund receivable	719,649	-	-	719,649
Prepaid items	530,090	-	9,799	539,889
TOTAL ASSETS	\$ 60,332,673	\$ 3,759,329	\$ 2,141,333	\$ 66,233,335
LIABILITIES				
Accounts payable	\$ 1,015,880	\$ -	\$ 35,085	\$ 1,050,965
Deposits	5,651	824,899	250	830,800
Interfund payable	-	593,939	373	594,312
Salaries and benefits payable	1,238,556	-	16,531	1,255,087
Unearned revenue - American Rescue Plan Act	1,754,256	-	-	1,754,256
Unearned revenue - other	274,486	-	-	274,486
TOTAL LIABILITIES	4,288,829	1,418,838	52,239	5,759,906
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - real estate taxes	23,242	-	40,529	63,771
TOTAL DEFERRED INFLOWS OF RESOURCES	23,242	-	40,529	63,771
FUND BALANCES				
Nonspendable:				
Prepaid items	530,090	-	9,799	539,889
Restricted for:				
Recycling expenditures	-	-	455,493	455,493
Parks and recreation	-	-	401,720	401,720
Rescue squad	-	-	30,970	30,970
Fire hydrant	-	-	109,217	109,217
Fire protection	-	-	23,002	23,002
Library	-	-	3,342	3,342
Highway aid	-	-	743,725	743,725
Street lighting	-	-	271,297	271,297
Assigned to:				
Capital projects	5,511,447	2,340,491	-	7,851,938
Unassigned	49,979,065	-	-	49,979,065
TOTAL FUND BALANCES	56,020,602	2,340,491	2,048,565	60,409,658
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 60,332,673	\$ 3,759,329	\$ 2,141,333	\$ 66,233,335

TOWNSHIP OF FALLS
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET POSITION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2021

TOTAL GOVERNMENTAL FUND BALANCES	\$ 60,409,658
<p>Amounts reported for governmental activities on the statement of net position are different because of the following:</p>	
<p>Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in the governmental funds. The cost of the assets is \$172,189,590 and the accumulated depreciation is \$84,636,048.</p>	87,553,541
<p>Long-term Net pension asset - nonuniform - not recorded as an asset in the funds.</p>	495,411
<p>Certain revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.</p>	63,771
<p>Deferred outflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.</p>	5,615,524
<p>Deferred inflows of resources related to pensions and other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds.</p>	(859,370)
<p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Those liabilities consist of:</p>	
<p>Other postemployment benefits</p>	(9,985,170)
<p>Net pension liability - police</p>	(19,994,665)
<p>Compensated absences</p>	(1,442,896)
	(21,422,731)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 121,855,804

TOWNSHIP OF FALLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Capital Reserve	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes				
Property	\$ 868,837	\$ -	\$ 1,516,339	\$ 2,385,176
Real estate transfer	2,840,053	-	-	2,840,053
Local services	659,821	-	-	659,821
Mechanical device	42,680	-	-	42,680
Motor fuel tax	-	-	885,621	885,621
Other	30,064	-	21,641	51,705
Host community fees	25,087,169	-	-	25,087,169
Licenses and permits	2,300,487	-	-	2,300,487
Fines and forfeits	173,939	-	-	173,939
Investment earnings (loss)	(112,392)	490	215	(111,687)
Rents	62,302	-	20,195	82,497
Intergovernmental	1,000,395	-	206,968	1,207,363
Charges for services	776,521	-	142,340	918,861
Miscellaneous	44,942	-	-	44,942
Refunds of prior years	181,933	-	-	181,933
TOTAL REVENUES	33,956,751	490	2,793,319	36,750,560
EXPENDITURES				
Current				
General government	3,595,356	18,912	-	3,614,268
Public safety	18,211,561	-	850,892	19,062,453
Public works - highways and streets	2,118,058	-	1,042,671	3,160,729
Parks and recreation	495,948	-	365,466	861,414
Capital outlay				
General government	83,961	-	-	83,961
Public safety	376,888	-	-	376,888
Public works - highways and streets	3,589,646	-	422,493	4,012,139
Culture and recreation	-	-	275,510	275,510
TOTAL EXPENDITURES	28,471,418	18,912	2,957,032	31,447,362
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,485,333	(18,422)	(163,713)	5,303,198
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of assets	7,594	-	-	7,594
Transfers in	-	100,000	100,000	200,000
Transfers out	(250,000)	-	-	(250,000)
TOTAL OTHER FINANCING SOURCES (USES)	(242,406)	100,000	100,000	(42,406)
NET CHANGE IN FUND BALANCES	5,242,927	81,578	(63,713)	5,260,792
FUND BALANCES, BEGINNING OF YEAR	50,777,675	2,258,913	2,112,278	55,148,866
FUND BALANCES, END OF YEAR	\$ 56,020,602	\$ 2,340,491	\$ 2,048,565	\$ 60,409,658

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 5,260,792
<p>Capital outlays are reported in Governmental Funds as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense:</p>	
Capital outlay	4,748,498
Depreciation expense	(3,971,065)
Capital assets disposals	(746,526)
<p>In fund statements the proceeds from sales of capital assets are reported. However, the net gain on the sale is reported in the Statement of Activities.</p>	
	(3,679)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>	
	(62,348)
<p>Compensated absences do not require the use of current financial resources, therefore, are not reported as expenditures in Government Funds.</p>	
	(146,568)
<p>On the Statement of Activities the actual and projected long term expenditures for pension benefits are reported, whereas on the governmental funds only the actual expenditures are recorded for pensions.</p>	
	167,550
<p>On the Statement of Activities the actual and projected long term expenditures for postemployment benefits are reported, whereas on the governmental funds only the actual expenditures are recorded for postemployment benefits.</p>	
	<u>(133,223)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 5,113,431</u></u>

TOWNSHIP OF FALLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes				
Property	\$ 882,616	\$ 882,616	\$ 868,837	\$ (13,779)
Real estate transfer	800,000	800,000	2,840,053	2,040,053
Local services	575,000	575,000	659,821	84,821
Mechanical device	35,000	35,000	42,680	7,680
Other	-	-	30,064	30,064
Host community fees	21,454,700	21,454,700	25,087,169	3,632,469
Licenses and permits	778,600	778,600	2,300,487	1,521,887
Fines and forfeits	171,000	171,000	173,939	2,939
Investment earnings (loss)	900,000	900,000	(112,392)	(1,012,392)
Rents	64,680	64,680	62,302	(2,378)
Intergovernmental	663,100	663,100	1,000,395	337,295
Charges for services	1,680,130	1,680,130	776,521	(903,609)
Miscellaneous	-	-	44,942	44,942
Refunds of prior years	-	-	181,933	181,933
TOTAL REVENUES	28,004,826	28,004,826	33,956,751	5,951,925
EXPENDITURES				
Current				
General government				
Supervisors	36,229	36,229	33,822	2,407
Manager	454,357	454,357	324,282	130,075
Finance and administration	891,008	891,008	879,258	11,750
Attorney	497,000	497,000	902,123	(405,123)
Other	758,385	758,385	1,455,871	(697,486)
Total general government	2,636,979	2,636,979	3,595,356	958,377
Public safety				
Police	16,660,333	16,660,333	16,279,991	380,342
Fire	676,114	676,114	682,682	(6,568)
Code enforcement	1,160,334	1,160,334	1,248,888	(88,554)
Total public safety	18,496,781	18,496,781	18,211,561	(285,220)
Public works				
Highways and streets	2,254,860	2,254,860	2,118,058	(136,802)
Total public works	2,254,860	2,254,860	2,118,058	(136,802)
Total parks and recreation	-	-	495,948	(495,948)
Capital outlay				
General government	1,530,530	1,530,530	83,961	1,446,569
Public safety	1,333,636	1,333,636	376,888	956,748
Public works - highway and streets	6,578,097	6,578,097	3,589,646	2,988,451
Parks and recreation	478,150	478,150	-	478,150
Total capital outlay	9,920,413	9,920,413	4,050,495	5,869,918
TOTAL EXPENDITURES	33,309,033	33,309,033	28,471,418	4,837,615
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,304,207)	(5,304,207)	5,485,333	1,114,310
OTHER FINANCING SOURCES (USES)				
Transfers in	220,000	220,000	-	(220,000)
Transfers out	(250,000)	(250,000)	(250,000)	-
Fund reserve	(45,353,560)	(45,353,560)	-	(45,353,560)
Sale of assets	-	-	7,594	7,594
TOTAL OTHER FINANCING SOURCES (USES)	(45,603,560)	(45,603,560)	(242,406)	(45,345,966)
NET CHANGE IN FUND BALANCE	(50,907,767)	(50,907,767)	5,242,927	(45,664,840)
FUND BALANCE, BEGINNING OF YEAR	50,598,949	50,598,949	50,777,675	178,726
FUND BALANCE, END OF YEAR	\$ (308,818)	\$ (308,818)	\$ 56,020,602	\$ (45,486,114)

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
STATEMENT OF NET POSITION
PROPRIETARY FUND
DECEMBER 31, 2021

	Business-Type Activities - Enterprise Fund
	Pinewood Pool Current Year
ASSETS	
Current assets	
Cash and cash equivalents	\$ -
Noncurrent assets:	
Capital assets, net of accumulated depreciation:	
Land	162,700
TOTAL CAPITAL ASSETS	162,700
TOTAL ASSETS	162,700
 LIABILITIES	
Current Liabilities	
Interfund payable	125,337
Accounts payable	932
Salaries and benefits payable	1,497
TOTAL CURRENT LIABILITIES	127,766
 NET POSITION	
Net investment in capital assets	162,700
Unrestricted (deficit)	(127,766)
TOTAL NET POSITION	\$ 34,934

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities - Enterprise Fund <u>Pinewood Pool</u> <u>Current Year</u>
OPERATING REVENUES	
Charges for sales and services	
Pool memberships	\$ 162,366
Guest fees	27,183
Program income	12,130
Concession income	5,018
Miscellaneous revenue	1,140
	<u>207,837</u>
TOTAL OPERATING REVENUES	
OPERATING EXPENSES	
Cost of sales and services	168,604
Administration	46,695
	<u>215,299</u>
TOTAL OPERATING EXPENSES	
OPERATING LOSS	(7,462)
TRANSFERS	
Transfer from General Fund	50,000
	<u>50,000</u>
CHANGE IN NET POSITION	42,538
NET POSITION (DEFICIT), BEGINNING OF YEAR	<u>(7,604)</u>
NET POSITION, END OF YEAR	<u>\$ 34,934</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	Business-Type Activities - Enterprise Fund
	Pinewood Pool Current Year
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 207,983
Payments to suppliers	(69,633)
Payments to employees	(144,676)
	(6,326)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Increase (decrease) in interfund payable	(43,674)
Transfer from other fund	50,000
	6,326
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ -
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	
Operating loss	\$ (7,462)
Adjustments to reconcile operating loss to net cash provided by used in operating activities	
Increase (decrease) in:	
Accounts payable	921
Salaries and benefits payable	215
	1,136
TOTAL ADJUSTMENTS	
NET CASH USED IN OPERATING ACTIVITIES	\$ (6,326)

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2021

	Pension Trust Fund	Custodial Fund
ASSETS		
Cash and cash equivalents	\$ 4,652,197	\$ 9,986,180
Receivables	221,461	-
Accounts receivable	12,794	1,704
Investment, at fair value		
Common stock, mutual funds	32,880,568	-
TOTAL ASSETS	37,767,020	9,987,884
LIABILITIES		
Payables	11,725	122,727
NET POSITION		
Net position restricted for pensions	37,755,295	-
Net position restricted for custodial purposes	-	9,865,157
TOTAL NET POSITION	\$ 37,755,295	\$ 9,865,157

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Pension Trust Fund	Custodial Fund
ADDITIONS		
Contributions		
Employer	\$ 2,448,323	\$ -
Plan member	365,508	-
Commonwealth	681,214	-
Developers	-	4,023,462
Total Contributions	3,495,045	4,023,462
Investment Income		
Dividend income	701,922	296
Net appreciation in fair value of investments	1,973,665	-
Total Investment Income	2,675,587	296
Less: investment expenses	(109,943)	-
Net Investment Income	2,565,644	296
TOTAL ADDITIONS	6,060,689	4,023,758
DEDUCTIONS		
Benefits and contribution refunds	2,988,525	-
Administrative expenses	11,725	-
Escrow reductions	-	1,191,964
TOTAL DEDUCTIONS	3,000,250	1,191,964
CHANGE IN NET POSITION	3,060,439	2,831,794
NET POSITION, BEGINNING OF YEAR	34,694,856	7,033,363
NET POSITION, END OF YEAR	\$ 37,755,295	\$ 9,865,157

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Township of Falls, County of Bucks, Commonwealth of Pennsylvania (the "Township"), was founded in 1692. The Township is a second-class township and is governed by an elected board of five supervisors and a board-appointed Township Manager. The Township covers approximately 26.5 square miles in Lower Bucks County and has a population of 34,716 per the 2020 U.S. Census.

The Township provides a full range of municipal services. These services include police protection; fire protection; park and recreation activities; highway maintenance and reconstruction operations; refuse; and general administrative services.

The Township has followed the guidelines of the Governmental Accounting Standards Board's ("GASB") Statements No. 14, 39, 61 and 80, and has determined that no entities should be consolidated into its, basic financial statements as component units. Therefore, the reporting entity consists of the primary government financial statements only. No entities are considered component units, except the Police Pension Plan which is a fiduciary component of the Township.

The financial statements of the Township have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the Township. For the most part, the effects of interfund activity have been removed from these statements. 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 fund, and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. These statements present each major fund as a separate column on the fund financial statements, and all nonmajor funds are aggregated and presented in a single column.

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. All assets and liabilities are included on the statement of net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

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 Township considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Township.

The accounts of the Township are organized and operated on the basis of funds.

The Township reports the following major governmental funds:

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

The *Capital Reserve Fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities and capital assets, other than those financed by proprietary and fiduciary funds.

The Township reports the following major proprietary fund:

The *Pinewood Pool Fund* accounts for operations of a recreational pool.

Additionally, the Township reports the following Fiduciary funds:

The *Police Pension Trust Fund*, the Township's component unit, accounts for the accumulation of resources for pension benefit payments to qualified uniformed police officers.

The *Township Escrow and Subdivision Fund* is a custodial fund used to account for assets held by the Township in a fiduciary capacity for developers as required by developer agreements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule is payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as

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general revenues, rather than as program revenues. Likewise, general revenues include all taxes and investment earnings.

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 Pinewood pool fund are charges to customers for pool memberships. 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 unavailable for use, it is the Township's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Position or Equity

1) *Deposits and Investments*

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the Township are reported at fair value. The State Treasurer's Investment Pool operates in accordance with state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

2) *Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (current portion) or "advances to/from other funds" (noncurrent portion). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Real estate taxes are levied on March 1 and payable under the following terms: 2% discount March 1 through May 1; face amount May 2 through July 1; and a 10% penalty after July 1. Taxes unpaid are lienied in January of the subsequent year.

3) *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.

4) *Capital Assets*

Capital assets, which include land, buildings and systems, improvements, machinery and equipment, and infrastructure (roads, bridges, sidewalks, and similar items), are reported in the governmental or business-type activities columns in the government-wide financial statements.

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The Township defines capital assets as assets with an estimated useful life in excess of two years and an initial, individual cost greater than \$10,000. Such assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. Infrastructure includes retroactive reporting of assets prior to June 30, 1980.

The cost 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 as constructed. Prior to 2021, interest incurred during the construction phase of capital assets was included as part of the capitalized value of the assets constructed. Effective January 1, 2021, as a result of adopting GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, interest cost is to be expensed as incurred.

Property, plant, and equipment of the Township is being depreciated using the straight line method over the following estimated useful lives:

	Years
Buildings and improvements	25
Land improvements	10
Infrastructure - Roads	40
Infrastructure - Street light poles	50
Infrastructure - Street lights	10
Vehicles	6
Machinery and equipment	8

5) *Compensated Absences*

It is the Township's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6) *Long-Term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business type activities, or proprietary fund type statement of net position. The Township does not have any outstanding bonds or notes payable. In the fund financial statements, Governmental Funds recognize issuance of long-term debt during the current period. The face amount of debt issued is reported as other financing sources and payment of principal and interest reported as expenditures.

7) *Other Postemployment Benefits ("OPEB") Other than Pensions*

The Township provides other postemployment benefits to police officers, public works, and AFSCME group employees, as part of their collective bargaining agreements. Effective January 1, 2018, the Township adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* GASB Statement

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No. 75 replaced the requirements of FASB Statement No. 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. GASB Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (“RSI”) about their OPEB liabilities.

8) Fund Equity

The Township reports fund balance in accordance with GASB Statement No. 54. GASB Statement No. 54 establishes standards for fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Additionally, the definitions of the general fund, special revenue fund type, debt service fund type and permanent fund type are clarified by the provisions in this Statement. Interpretations of certain items within the definition of the special revenue fund type have been provided and, for some governments, those interpretations may affect the activities they choose to report in those funds. The capital projects fund type definition also was clarified for better alignment with the needs of preparers and users. Definitions of other governmental fund types have also been modified for clarity and consistency.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: Restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed by formal action (resolution) of the Board of Supervisors – the government’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the Board of Supervisors removes the specified use by taking the same type of action imposing the commitment.

Assigned fund balance. This classification reflects amounts constrained by the Township’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Board of Supervisors or the finance director, who has been given the authority by a resolution of the Board of Supervisors have the authority to assign amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance. This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

Use of fund balance. The restricted fund balance shall be reduced to the extent that the underlying reason for the restriction has been eliminated. Then committed, assigned and unassigned shall be reduced in that order as needed.

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9) Net Position

Net position is considered restricted if the use is constrained to a particular purpose. The government-wide statement of net position reports \$2,494,259 of restricted net position, \$401,720 is restricted by enabling legislation.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for all governmental funds, except the recycling fund. All appropriations lapse at fiscal year-end. All agencies of the government submit requests for appropriations to the township manager and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function, and department. The Township's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the Board of Supervisors. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) is the department level. There were no budgetary transfers during the year.

Encumbrance accounting is employed in governmental funds. All encumbrances are liquidated at year end.

B. Excess of Expenditures over Appropriations

For the year end December 31, 2021, expenditures exceeded appropriations in the following funds. These over-expenditures were funded by interfund transfers and available fund balances.

Fund	Excess
Public Safety	\$ 285,220
Highways and Streets	\$ 136,802
Parks and Recreation	\$ 495,948

3. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Under Act No. 72 enacted by the General Assembly of the Commonwealth of Pennsylvania, the funds deposited with the depository are permitted to be secured on a pooled basis with all other public funds which the banking institution has on deposit in excess of the Federal Depository Insurance limit. These may be bonds of the United States, any State of the United States, or bonds of any political subdivision of Pennsylvania, or the general state authority or other authorities created by the General Assembly of the Commonwealth of Pennsylvania or insured with the Federal Depository Insurance Corporation. The uninsured deposits, (as defined by GASB Statement No. 40) of the Township were exposed to custodial credit risk as follows:

Collateral held by pledging bank's trust	
department not in the Township's name	\$ 48,433,297

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State statutes authorize the Township to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer's Investment Pool.

Accounting principles generally accepted in the United States of American establish a fair value hierarchy that is based on the valuation inputs used in the fair value measurements. Measurements using quoted prices in active markets for identical assets and liabilities fall within Level 1 of the

hierarchy; measurements using significant other observable inputs fall within Level 2, and measurements using significant unobservable inputs fall within Level 3.

Information related to the Township's investments measured at fair value on a recurring basis at December 31, 2021, is as follows:

Government-Wide Investments (not including Fiduciary):

Investment	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Federal Farm Credit	\$ 497,180	\$ 497,180		
Federal Home Loan Bank	6,220,418	6,220,418		
Federal National Mortgage Assn	5,916,443	5,916,443		
Federal Home Loan Mortgage Corporation	212,096	212,096		
United States Treasury Notes	4,744,077	4,744,077		
Government Fund	5,536,903	5,536,903		
	<u>\$ 23,127,117</u>	<u>\$ 23,127,117</u>	<u>\$ -</u>	<u>\$ -</u>

Fiduciary Investments:

Investment	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds	<u>\$ 32,880,570</u>	<u>\$ 32,880,570</u>	<u>\$ -</u>	<u>\$ -</u>

Custodial Credit Risk – Investments. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township will not be able to recover the value of its investments or collateral security that are in the possession of an outside party. The Township has no investments subject to custodial credit risk.

Credit Risk. Credit risk is the risk that an issuer or counterparty to an investment will not fulfill its obligations. The Township has no investment policy that would limit its investment choices to certain credit ratings. As of December 31, 2021, the Township's investments were rated as:

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Investment	Standard & Poor's
PA Local Government Investment Trust	AAA/AA+/A-1+
PA Treasury Invest Community Pool	AAA
Federal Home Loan Mortgage Corp.	AA+
Federal Home Loan Bank	AA+
Federal National Mortgage Association	AA+
Federal Farm Credit Banks	AA+
Bond Mutual Funds	B, BB, A

Concentration of Credit Risk. A concentration of investments in any one single user of debt securities presents a greater risk for loss in the even the issuer fails on its obligations. The Township does not have a formal policy regarding concentration of credit risk. More than five percent of the Government-wide investments are invested in the following single issuers:

Investment	Fair Value	Percent of Total Government- Wide Investments
Federal Home Loan Mortgage Corp.	\$ 6,220,418	27%
Federal National Mortgage Association	5,916,443	26%
United States Treasury Notes	4,744,077	21%
Government Fund	5,536,903	24%

Interest Rate Risk. Interest Rate Risk is the risk that changes in interest rates will adversely affect an investment's value. The Township does not have a formal policy regarding interest rate risk. As of December 31, 2021, the Township's investments had the following weighted average maturities:

	Fair Value	Weighted Average Maturity (Years)
Federal Farm Credit	\$ 497,180	1.9
Federal Home Loan Bank	6,220,418	1.8
Federal National Mortgage Assn	5,916,443	0.9
Federal Home Loan Mortgage Corporation	212,096	1.8
United States Treasury Notes	4,744,077	0.6
Government Fund	5,536,903	-
	<u>\$ 23,127,117</u>	

A portion of the Township's investments are in the Pennsylvania Local Government Investment Trust (PLGIT) and the Pennsylvania Treasury Investment Community Pool, which both act like money market mutual funds in that the objective is to maintain a stable net asset value of \$1 per share. These investments are not subject to interest rate risk.

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B. Receivables

Receivables as of year-end for government's individual major funds, fiduciary funds and nonmajor funds in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

	<u>General</u>	<u>Capital Reserve</u>	<u>Nonmajor Funds</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 27,939	\$ -	\$ 48,725	\$ -	\$ 76,664
Accounts/other	<u>3,436,799</u>	<u>1</u>	<u>214</u>	<u>235,959</u>	<u>3,672,973</u>
Gross receivables	3,464,738	1	48,939	235,959	3,749,637
Less: allowance for uncollectibles	<u>218,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>218,565</u>
Total Net Receivables	<u>\$ 3,246,173</u>	<u>\$ 1</u>	<u>\$ 48,939</u>	<u>\$ 235,959</u>	<u>\$ 3,531,072</u>

C. Unearned/Unavailable Revenue

Governmental funds reported unearned or unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Unearned revenue is considered a liability, while unavailable revenue is reported as a deferred inflow of resources. At the end of the current fiscal year, the components of unearned/unavailable revenue reported in governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Delinquent property taxes receivable - General Fund	\$ 23,242	\$ -
Delinquent property taxes receivable - Special Revenue Funds	40,529	-
Unearned revenue - American Rescue Plan Act	-	1,754,256
Accounts receivable, unearned	<u>-</u>	<u>274,486</u>
Total Governmental Unearned/Unavailable Revenue	<u>\$ 63,771</u>	<u>\$ 2,028,742</u>

D. Capital Assets

Capital asset activity for the year ended December 31, 2021 is as follows:

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	Beginning Balance	Increases	Decreases	Ending Balance
<i>Government Activities:</i>				
Capital assets not being depreciated				
Land	\$ 16,460,926			\$ 16,460,926
Construction in progress	746,526	13,337	746,526	13,337
Total capital assets not being depreciated	17,207,452	13,337	746,526	16,474,263
Capital assets being depreciated				
Buildings	6,005,505			6,005,505
Improvements other than buildings	16,418,967	214,964		16,633,931
Machinery, equipment, and vehicles	9,551,160	839,970	266,283	10,124,847
Infrastructure	119,270,816	3,680,228		122,951,044
Total capital assets being depreciated	151,246,448	4,735,162	266,283	155,715,327
Less accumulated depreciation for:				
Buildings	4,285,867	225,224		4,511,091
Improvements other than buildings	15,218,782	283,055		15,501,837
Machinery, equipment, and vehicles	8,280,485	502,814	262,604	8,520,695
Infrastructure	53,142,453	2,959,972		56,102,425
Total accumulated depreciation	80,927,587	3,971,065	262,604	84,636,048
Total capital assets being depreciated, net	70,318,861	764,097	3,679	71,079,279
Governmental activities capital assets, net	\$ 87,526,313	\$ 777,434	\$ 750,205	\$ 87,553,542
	Beginning Balance	Increases	Decreases	Ending Balance
<i>Business-Type Activities:</i>				
Capital assets not being depreciated				
Land	\$ 162,700			\$ 162,700
Capital assets being depreciated				
Machinery and equipment	19,730			19,730
Less accumulated depreciation for:				
Machinery and equipment	19,730			19,730
Business-Type activities capital assets, net	\$ 162,700	\$ -	\$ -	\$ 162,700

Depreciation expense was charged to the functions/programs of the Township as follows:

Governmental Activities:

General government	\$ 163,267
Public safety	244,309
Public works	3,200,502
Culture and recreation	362,987
 Total depreciation expense - governmental activities	 \$ 3,971,065

Depreciation expense for business-type activities was \$0.

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E. Interfund Receivables, Payables, and Transfers

The following is a summary of interfund receivables and payables at December 31, 2021:

	Receivable	Payable	
General Fund	\$ 719,649	\$ -	
Capital Reserve	-	593,939	
Pool Fund	-	125,337	
Nonmajor Funds	-	373	
	\$ 719,649	\$ 719,649	

The amounts payable for the Pool Fund and Nonmajor Funds are recorded to eliminate negative cash balances in those funds. Other amounts payable represent reimbursable expenses paid on behalf of one fund by another fund of the Township.

Interfund transfers for the year ended December 31, 2021, consisted of the following:

	Transfers from Other Funds	Transfers to Other Funds	
General Fund	\$ -	\$ 250,000	
Capital Reserve	100,000	-	
Pool Fund	50,000	-	
Nonmajor Funds	100,000	-	
	\$ 250,000	\$ 250,000	

Transfers to other funds represents unrestricted revenues collected in the General Fund to finance the Township's Crime Prevention Program (DARE) Fund, Parks and Recreation Fund and Pool Fund.

F. Long-term Liabilities

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2021 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	\$ 2,160,436	\$ 367,806	\$ 215,255	\$ 2,312,987	\$ 870,091
Total Governmental Activities	\$ 2,160,436	\$ 367,806	\$ 215,255	\$ 2,312,987	\$ 870,091

The General Fund has been used to liquidate the liability for the compensated absences of the governmental activities.

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4. OTHER INFORMATION

A. Risk Management

The Township is exposed to various risks of loss related to third party liability claims, damage to and loss of Township-owned property, errors and omissions by public officials, and injuries to employees. As a method of financing the risk, the Township purchases commercial insurance. The Township participates in the Delaware Valley Worker's Compensation Trust. The amount of settlement did not exceed insurance coverage for the past three years. There have been no significant reductions in insurance coverage during the year ended December 31, 2021.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Township expects such amounts, if any, to be immaterial. The Township is a defendant in several lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, in the opinion of Township Management, the resolution of these matters will not have a material adverse effect on the financial condition of the Township.

C. Financial Guarantee

The Township entered into a Guarantee Agreement dated September 1, 2011, as authorized pursuant to the Debt Act, to guarantee the full and prompt payment of the Township of Falls Authority's Guaranteed Water & Sewer Revenue Bonds Series 2011. The Township of Falls Authority was created pursuant to an ordinance enacted by the Board of Supervisors of the Township, and the Township appoints the members of the Authority Board. The guarantee extended through December 31, 2021. The Township of Falls Authority agreed in the Guarantee Agreement to reimburse the Township for any payments made.

The Township entered into a Supplemental Guarantee Agreement dated May 4, 2016, as authorized pursuant to the Debt Act, to guarantee the full and prompt payments of the Township of Falls Authority's Guaranteed Water & Sewer Revenue Bonds Series 2016. The Township of Falls Authority was created pursuant to an ordinance enacted by the Board of Supervisors of the township and the Township appoints the members of the Authority Board. The guarantee extended through December 21, 2020. The Township of Falls Authority agreed in the Guarantee Agreement to reimburse the Township for any payments made.

In 2021, the Authority refinanced through a current refunding of the outstanding 2011 Bonds and 2016 Bond through issuance of its Guaranteed Water and Sewer Revenue Bonds, Series of 2021 in the aggregate amount of \$16,030,000. The new trust indenture between the Township and Authority was dated October 26, 2021 and the Township agreed to enter into a Guaranty Agreement on that date. The Authority agrees to reimburse the Township for any payments made. The outstanding balance of the 2021 Bonds as of December 31, 2021 was \$15,950,000.

D. Other Postemployment Benefits

Plan Description

The Township provides postemployment healthcare benefits in a single employer defined benefit plan, as per the requirements of collective bargaining agreements, for certain retired police officers, public works employees, and AFSCME union members. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The Township calculates its actuarial valuation

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in accordance with GASB Statement 75, as required. Separate financial statements are not issued for the plan.

Benefits Provided

The Township pays: \$3,600 to \$23,250 per year for the premiums of healthcare coverage for police officers who retire with 25 years of full-time service or become disabled (for all officers retiring after 3/13/2019, the post-retirement healthcare stipend shall be payable to age 65 and cease thereafter); \$4,500 per year for AFSCME members retiring with 20 years of service (these payments will continue until Medicare age is obtained); and, \$4,800 to \$15,000 per year for Public Works employees retiring with 20 years of service (these payments will continue until Medicare age is obtained).

Employees Covered by the Plan

The following eligible Police and Non-Uniformed employees and retirees were covered by the plan:

Fully Eligible Active Plan Members	12
Other Active Employees not Fully Eligible	74
Retirees and Beneficiaries Currently Receiving Benefits	41
 Total	 127

Contributions

The Township is not currently making contributions to a qualified Trust.

Method Used to Value Investments

The Township does not have a GASB-qualified trust, and therefore, there are no investments.

Long-Term Expected Rate of Return

Since there are no invested assets, there is no long-term expected rate of return.

Actuarial Assumptions

An actuarial valuation of the total OPEB liability is performed biennially. The total OPEB liability as of December 31, 2021 was determined as part of an actuarial valuation at January 1, 2020. Update procedures were used to roll forward to the municipality's fiscal year ended December 31, 2021. This report was based upon the Plan's actuarial assumptions, asset valuation method and cost method as described below:

Actuarial Assumptions:	
Valuation method	Entry age normal
Discount rate	2.25%
Salary increases	5.00%
Investment rate of return	N/A
Mortality rates	Police - PUB-2010 Safety mortality tables and Non-Uniformed - PUB-2020 General mortality tables
Healthcare cost trends	Medical and prescription drug costs are assumed to increase by 5.25% during 2021 and 5% per year thereafter. Vision costs are assumed to increase by 5% per year and dental costs are assumed to increase by 2% per year.

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Discount Rate

The discount rate used to measure the total OPEB liability was 3.25%, and is based on the S&P 20 year AA municipal bond rate.

Total OPEB Liability Sensitivity – Discount Rate

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate. The table below presents the total OPEB liability calculated using the discount rate of 3.25% as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.25%) or 1 percentage point higher (4.25%) than the current rate.

	1% Decrease 1.25%	Current Discount Rate 2.25%	1% Increase 3.25%
Total OPEB Liability	\$ 11,012,132	\$ 9,985,170	\$ 9,103,573

Total OPEB Liability Sensitivity – Healthcare Trend

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

	1% Decrease	Current Trend Rates	1% Increase
Total OPEB Liability	\$ 9,769,451	\$ 9,985,170	\$ 10,235,585

Changes in total OPEB Liability

The following table shows the changes in total OPEB liability recognized over the measurement period.

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	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 12/31/20	\$ 8,928,165	\$ -	\$ 8,928,165
Changes for the Year:			
Service Cost	151,132	-	151,132
Interest	226,293	-	226,293
Changes in Benefit Terms (1)	107,169	-	107,169
Differences between Expected and Actual Experience (2)	(476,135)	-	(476,135)
Changes in Assumptions and Cost Method (3)	1,645,727	-	1,645,727
Contributions - Employer	-	597,181	(597,181)
Contributions - Other	-	-	-
Benefit Payments (4)	(597,181)	(597,181)	-
Administrative Expense	-	-	-
Net Changes	<u>1,057,005</u>	<u>-</u>	<u>1,057,005</u>
Balance at 12/31/21	<u>\$ 9,985,170</u>	<u>\$ -</u>	<u>\$ 9,985,170</u>
Fiduciary net position as a percentage of total OPEB liability		0.00%	
Covered employee payroll			\$ 10,616,293
Total OPEB liability as a percentage of covered employee payroll			94.06%

- (1) Changes in Benefit Terms - Effective January 1, 2020, the following changes were made to the Public Works contract:
(a) Minimum service to receive OPEB changed from no minimum service requirement to a minimum of 20 years service.
(b) For retirees with a minimum of 20 years of service, the monthly stipend increased from \$500 per month to \$1,250 per month.
- (2) Differences Between Expected and Actual Experience - The majority of the difference can be attributed to the Police group. Within the Police group, the cost of coverage for the only retiree in the Township health coverage decreased by 12% since 2019 as apposed to increasing by 11% as projected. While 2 active officers terminated, 5 new officers were hired that have accrued very little of their OPEB benefit to date.
- (3) Changes in Assumptions & Cost Method - The discount rate changed from 3.25% to 2.25%. Mortality changed from Blue Collar RP-2000 to PUB-2010 Safety for Police and PUB-2010 General for AFSCME and Public Works.
- (4) Payments are actuarially determined expected benefit payments, which may vary from actual benefit payments due to implied subsidy and experience that is different than expected.

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended December 31, 2021, the Township recognized OPEB expense of \$133,223.

At December 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ (372,618)
Changes in Assumptions	1,836,810	-
Total	\$ 1,836,810	\$ (372,618)

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

Year Ending December 31:		
2022	\$	245,810
2023		245,993
2024		246,365
2025		189,903
2026		125,739
Thereafter		410,382

E. Pension Plans

The Township maintains a single-employer defined benefit pension plan that covers all of the Township’s full-time sworn police officers, a cash balance defined benefit pension plan administered by the Pennsylvania Municipal Retirement System (PMRS) agent multiple-employer system for employees in the public works union, and a single-employer defined contribution pension plan that covers all other full-time employees.

Police Pension Plan

Plan Description

The Falls Township Police Pension Plan is a single employer defined benefit plan covering all full-time police officers. The Plan was established effective January 1, 1969, is controlled by the provisions of Ordinance 05-5, and the Collective Bargaining Agreement adopted pursuant to Act 600. The Plan is governed by the Board of Township Supervisors, who has delegated the authority to manage Plan assets to SEI Investments Management Corporation. Complete financial statements may be obtained at the township building. A separate, audited GAAP-basis pension plan report is not issued.

Benefits Provided

The following is a summary of the Plan benefit provisions:

- *Eligibility Requirements:*
 - Normal Retirement – Age 50 with 25 years of service. No early retirement.
 - Vesting – 100% after completion of 12 years of vesting service
- *Retirement Benefit:* 50% of average salary during the last 36 months of employment, plus \$100 per month for each year of service in excess of 25 years, up to a maximum of \$500 per month.

TOWNSHIP OF FALLS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021

- *Survivor Benefit:* Killed-in-service – 100% of salary. Post-retirement – 50% of retirement benefit; Vested – refund of contributions with interest or 50% of vested benefit payable beginning at officer’s super-annuation retirement date.
- *Disability Benefit Service Related:* 50% of average 36 months compensation.
- *Post Retirement Adjustments:* Those members who begin retirement benefits on or after January 1, 1992 may be provided a C.O.L.A. in accordance with Act 600. The COLA is based on the Philadelphia area CPI with an annual cap of 8%, up to 130% of the original amount of the member’s pension, or the original maximum amount allowable under Act 600, whichever is higher.
- *Pre Act 44 Deferred Retirement Option Program (DROP):* An active Member who has met the eligibility requirements for normal retirement may elect to participate in the DROP for a period of up to 66 months.
- *Member Contributions:* 5% contribution rate and 5% interest rate credited to member contributions.

Plan Membership

Membership of the plan consisted of the following at December 31, 2021:

Active Plan Members	45
Inactive Plan Members Currently Receiving Benefits	65
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
	111

Contributions and Funding Policy

Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, initiated actuarial funding requirements for Pennsylvania municipal pension plans. Under Act 205 provisions, a municipal budget must provide for the full payment of the minimum municipal obligation (MMO) to each employee pension fund of the municipality. Act 189 of 1990 amended Act 205 and redefined the calculation used to determine the MMO to employee pension funds. The MMO is not defined as the total financial requirements to the pension fund, less funding adjustments and estimated member contributions.

As a condition of participation, full-time officers are required to contribute 5% of their compensation into the Plan. This contribution is governed by the Plan’s ordinances and collective bargaining agreement. In accordance with Act 205, as amended, the Township was required to contribute to the Plan for the year 2021. The payment from the Commonwealth for State Aid is recognized as revenue in the General Fund and an expenditure to the Fiduciary Fund. The Township contributed State Aid of \$681,214 and Township contribution of \$2,448,323 into the plan for 2021.

Basis of Accounting

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position have been determined on the same basis as they are reported by the Plan. The Plan’s financial statements are prepared using the accrual basis of accounting. Plan payments and member/employer contributions are recognized in the period in which they are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

TOWNSHIP OF FALLS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Expenses

Investment expenses consist of investment management, custodial fees, and other significant investment related costs. Administrative expenses consist of consulting, actuarial, legal, and accounting services, along with any other significant plan related costs. The above expenses are allowable pension plan expenditures in accordance with Act 205 and may be funded with Plan assets.

Net Pension Liability

An actuarial valuation of the total pension liability is performed biennially. The total pension liability as of December 31, 2021 was determined as part of an actuarial valuations at January 1, 2021. Update procedures were used to roll forward January 1, 2021 liabilities to the plan's fiscal plan year ended December 31, 2021. The actuarial assumptions used in the January 1, 2021 valuation are as follows:

Actuarial Assumptions:	
Inflation Rate	2.25%
Salary increases	5.00%
Investment rate of return	7.75%
Mortality rates	PUBS-2020 Mortality Table

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projections of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that municipal contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Based upon the Plan's current targeted investment allocation and the associated long-term returns may be less than its actuarial discount rate assumption used to determine its pension liability. This may result in future increased total and net pension liability.

Net Pension Liability Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability calculated using the discount rate of 8.0% as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.75%) or 1 percentage point higher (8.75%) than the current rate.

	1% Decrease 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
Net Pension Liability	\$ 26,655,035	\$ 19,994,665	\$ 14,392,452

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Long Term Expected Rate of Return on Investments

The long-term expected rate of return on the Plan's investments was determined using an asset allocation study conducted by the plan's investment management consultant in December 2021 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best-estimates or arithmetic real rates of return for each major class included in the plan's target asset allocation as of December 31, 2021 are listed in the table below:

	Target	Long-Term Expected Real Rate of Return
Domestic Large Cap Stocks	22.0%	7.7%
Domestic Mid/Small Cap Stocks	4.0%	8.1%
World Equity ex-US	24.0%	9.4%
Emerging Markets Equity	3.0%	11.5%
U.S. High Yield	4.0%	6.1%
Emergng Markets Debt	4.0%	7.5%
U.S. Equity Factor	8.0%	8.2%
Core Fixed Income	30.0%	<u>4.3%</u>
Total Net Blended Return		5.7%*

* Excludes 2.5% inflation assumption

Long-Term Expected Rate of Return (Including Inflation)		8.2%
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Non-Uniform Defined Benefit Pension Plan

Plan Description

The Falls Township Non-Uniform Defined Benefit Pension Plan is a single employer defined benefit plan covering the full-time employees covered by the public works union in accordance with Ordinance No. 2010-01. The plan participates in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employer public employee retirement system with the purpose to administer sound, cost effective pensions for local government employees. PMRS was created by the act of the Pennsylvania General Assembly in 1974 and is headquartered in Harrisburg, Pennsylvania. Responsibility for the organization and administration of the System is vested in the eleven-member PMRS Board. PMRS issues a separate Annual Comprehensive Financial Report. The ANNUAL COMPREHENSIVE FINANCIAL REPORT is available on the publications page of the PMRS website at www.pmr.state.pa.us, or a copy can be obtained by contacting the PMRS accounting office at 717-787-2065. The most recent ANNUAL COMPREHENSIVE FINANCIAL REPORT available is for the year ended December 31, 2020.

TOWNSHIP OF FALLS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021

Benefits Provided

The following is a summary of the Plan benefit provisions:

- *Eligibility Requirements:*
 - Normal Retirement – Age 60
 - Early Retirement – Age 55 and 25 years of service
 - Vesting – 100% after the completion of 8 years of service
- *Retirement Benefit:* The member will receive an annuity equal to a single life annuity starting on the effective date of retirement with a present value equal to the accumulated municipal contributions and any member deductions, regular interest and all excess investment earnings credited to the member's account.
- *Early Retirement:* Benefits will be actuarially reduced for each year or partial year thereof prior to age sixty (60) that early retirement takes place.
- *Member Contributions:* 5% contribution rate
- *Voluntary Member Contributions:* Up to 15%

Plan Membership

Membership of the plan consisted of the following at January 1, 2021:

Active Plan Members	16
Inactive Plan Members Currently Receiving Benefits	2
Inactive Plan Members Entitled to but not yet Receiving Benefits	1
	19

Contributions and Funding Policy

Due to the plan design as a cash balance pension plan, there are no actuarially determined contributions for the plan. The statutorily required contribution is 5% of covered employee payroll.

As a condition of participation, full-time members of the public works union are required to contribute 5% of compensation into the Plan. This contribution is governed by the Plan's ordinances and collective bargaining agreement. In accordance with the statutorily required contribution, the Township contributed \$68,943 to the Plan for the year 2020.

Basis of Accounting

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deduction from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. The Plan's financial statements are prepared using the accrual basis of accounting. Plan payments and member/employer contributions are recognized in the period in which they are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
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	1% Decrease 4.25%	Current Discount Rate 5.25%	1% Increase 6.25%
Net Pension Liability (Asset)	\$ 67,700	\$ (495,411)	\$ (1,055,508)

Long Term Expected Rate of Return on Investments

The PMRS System's long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future nominal rates of return (net of investment expenses) are developed for each asset class. These returns are combined to produce the System's Long-Term Expected Real Rate of Return by calculating the weighted average return for each asset class using each respective target asset allocation percentage and multiplying the expected future nominal rate of return, while also factoring in covariance across asset classes, then deducting expected inflation (2.25%). Best estimates of geometric real rates of return for each utilized asset class are included in the pension plan's target asset allocation as of December 31, 2020 and summarized in the table below labeled "System Nominal Net and Real Rates of Return by Asset Class.

	Target	Nominal Net Rate of Return	Long-Term Expected Real Rate of Return
Domestic Equities Large Cap	25%	7.56%	5.31%
Domestic Equities Mid/Small Cap	15%	8.31%	6.06%
International Equities Developed Markets	15%	7.78%	5.53%
International Equities Emerging Markets	10%	8.20%	5.95%
Real Estate	15%	7.50%	5.25%
Timber	5%	6.03%	3.78%
Fixed Income	15%	4.12%	1.87%
Total Net Blended Return	100.0%	7.80%	5.55%

Based on the aforementioned methodology, the Board established the System's Long-Term Expected Rate of Return at 7.80%

In addition to determining the System's Long-Term Nominal Expected Rate of Return, the PMRS Board, under the laws of the Commonwealth of Pennsylvania (Act 15 of 1974), is obligated to develop and apply the Regular Interest Rate to each of the individual participating municipalities' actuarial asset accounts held by PMRS. The rationale for the difference between the System's Long-Term Nominal Expected Rate of Return and the individual participating municipalities' Regular Interest Rate is described above in the "Discount Rate" section. As of December 31, 2020, this rate is equal to 5.25%

The Board has determined the minimum acceptable confidence level for achieving the Regular Interest Rate to be 60%. The table below labeled "Confidence Levels for System Nominal Net and Real Rates of Return" identifies simulated portfolio returns at various confidence levels based on the most recent asset allocation study conducted by the Boards' investment consultant, Marquette Associates.

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Confidence Interval	Nominal Net Rate of Return	Long-Term Expected Real Rate of Return
95%	4.09%	1.84%
90%	5.02%	2.77%
85%	5.51%	3.26%
80%	6.05%	3.80%
75%	6.44%	4.19%
70%	6.85%	4.60%
60%	7.46%	5.21%

Police and Non-Uniform Defined Benefit Pension Plans

Changes in Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period for the Police Pension Plan:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/20	\$ 51,095,415	\$ 34,694,856	\$ 16,400,559
Changes for the year:			
Service Cost	968,370		968,370
Interest	4,261,185		4,261,185
Changes in Benefit Terms			-
Differences Between Expected and Actual Experience	557,157		557,157
Changes in Assumptions	3,856,358		3,856,358
Contributions - Employer		2,448,323	(2,448,323)
Contributions - State Aid		681,214	(681,214)
Contributions - Member		365,508	(365,508)
Net Investment Income		2,565,644	(2,565,644)
Benefit Payments	(2,988,525)	(2,988,525)	-
Administrative Expense		(11,725)	11,725
Other Changes			-
Net Changes	6,654,545	3,060,439	3,594,106
Balances at 12/31/21	\$ 57,749,960	\$ 37,755,295	\$ 19,994,665
Fiduciary net position as a percentage of total pension liability		65.4%	
Covered payroll			\$ 6,800,000
Net pension liability as a percentage of covered employee payroll			294.0%

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

The following table shows the changes in net pension liability recognized over the measurement period for the Non-Uniform Defined Benefit Pension Plan:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/20	\$ 2,493,741	\$ 2,325,087	\$ 168,654
Changes for the year:			
Service Cost	316,911		316,911
Interest	273,279		273,279
Changes in Benefit Terms	-		-
Differences Between Expected and Actual Experience	(43,355)		(43,355)
Changes in Assumptions	14,721		14,721
Contributions - Employer		136,927	(136,927)
Contributions - PMRS Assessment		400	(400)
Contributions - Member		179,985	(179,985)
Net Investment Income		642,171	(642,171)
PMRS Investment Income		277,837	(277,837)
Benefit Payments	(84,351)	(84,351)	-
Administrative Expense		(11,699)	11,699
Other Changes			-
Net Changes	477,205	1,141,270	(664,065)
Balances at 12/31/21	\$ 2,970,946	\$ 3,466,357	\$ (495,411)

Fiduciary net position as a percentage of total pension liability	116.68%	
Covered payroll		\$ 1,378,847
Net pension liability as a percentage of covered employee payroll		215.47%

Pension Expense and Deferred Outflows and Deferred Inflows of Resources

For the year ended December 31, 2021, the Township recognized total pension expense of \$3,258,454 for the Police Pension Plan. At December 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 68,382
Change in Assumptions	3,179,208	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	395,630	-
Total	\$ 3,574,838	\$ 68,382

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

The amounts reported as deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan will be recognized in the pension expense as follows:

Year Ending December 31,	
2022	\$ 1,135,257
2023	514,423
2024	848,239
2025	871,682
2026	136,855
Thereafter	-

For the year ended December 31, 2020, the Township recognized total pension expense of (\$58,400) for the Non-Uniform Defined Benefit Pension Plan. At December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to the Non-Uniform Defined Benefit Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 4,507	37,271
Change in Assumptions	14,159	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	381,099
Contributions Subsequent to the Measurement Date	185,210	
Total	\$ 203,876	\$ 418,370

\$185,210 reported as deferred outflows of resources related to pension resulting from Township contributions subsequent to the measurement date will be recognized as reduction of the net pension liability during the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to Non-Uniform Defined Benefit Pension Plan will be recognized in the pension expense as follows:

Year Ending December 31,	
2022	\$ (123,966)
2023	(77,264)
2024	(131,308)
2025	(60,074)
2026	(2,950)
Thereafter	(4,142)

Total pension expense for 2021 is \$3,200,054 for both plans.

Non-Uniform Defined Contribution Pension Plan

Plan Description

The Township administers the single employer defined contribution pension plan in which all crossing guards are eligible to participate. The Plan is controlled by the provisions of Ordinance

TOWNSHIP OF FALLS
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 DECEMBER 31, 2021

98-4. The Plan is governed by the Board of Township Supervisors which may amend plan provisions, and which is responsible for the management of Plan assets. The Board of Township Supervisors has delegated the authority to manage Plan assets to ICMA Retirement Corporation.

Benefits Provided

The following is a summary of the Plan benefit provisions:

- *Eligibility Requirements:*
 - Normal Retirement – Age 55
 - Vesting – 100% vested immediately
- *Member Contributions:* Not required.

Summary of Significant Accounting Policies

The financial statements of the Plan are prepared using the accrual basis of accounting. The Township's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with terms of the plan. All plan investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price on the Township's balance sheet date. The plan does not issue separate financial statements.

Contributions and Funding Policy

The contribution requirements of the Township are established and may be amended by the Board of Supervisors. Plan members are not required to contribute. The Township is required to contribute at a determined rate, which is currently 5% of annual covered payroll. The Township contributed \$10,401 for the year ended December 31, 2021.

F. Restatements

- (1) Prior to the end of 2020, the Township utilized a special revenue fund to account for and report the DARE program activities. At December 31, 2020 all restricted revenues sources had been expended and the remaining amounts in the fund were unrestricted. Therefore, it should have been absorbed in to the General Fund prior to December 31, 2020 as it no longer held restricted proceeds. The General Fund and Crime Prevention Fund have been restated as follows for this matter:

	General Fund	Crime Prevention Fund
Fund balance, January 1, 2021	\$ 50,589,427	\$ 188,248
Transfer of fund balance to close fund	188,248	(188,248)
Restated beginning balance, January 1, 2021	\$ 50,777,675	\$ -

- (2) Pursuant The Township Non-Uniform Pension Plan is an agent multiple-employer for which the Township does not meet the requirements of GASB Statement No. 84, *Fiduciary Activities* to show the Plan as a Fiduciary Fund in its financial statements. Therefore, the Plan has been removed Pension Trust Fund Column of the Fiduciary Fund Statements. The resulted in the Net Position Restricted for Pensions at January 1, 2021 being restated by \$3,056,616 from \$37,751,472 to \$34,694,856.

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

G. New Accounting Pronouncements

Adoption of Governmental Accounting Standards Board (GASB) Statements

In 2021 the Township of Falls adopted the provisions of GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Adoption had no effect on the Township's 2021 financial statements.

In 2021, the Township of Falls also adopted certain provisions of GASB Statement No. 93, *Replacement of Interbank Offered Rates*. Adoption had no effect on the Township's 2021 financial statements.

Pending Changes in Accounting Principles

GASB issued Statement No. 87, *Leases*. This Statement substantially changes current accounting procedures regarding lease accounting and offers specific accounting guidance for lessees, lessors, and sale-leaseback transactions. GASB 87 establishes a right-of-use ("ROU") model that requires lessees to record a ROU asset and lease liability in the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance leases or operating leases depending on the characteristics of the lease; consistent with current accounting procedures, the recognition, measurement and presentation of expenses and cash flows arising from the lease will depend on the lease classification. This Statement will have an implementation date for the year ending December 31, 2022.

GASB issued Statement No. 91, *Conduit Debt Obligations*. This Statement is required to be adopted by the Township for the year ending December 31, 2022.

GASB issued Statement No. 92, *Omnibus 2020*. This Statement is required to be adopted by the Township for the year ending December 31, 2022.

As noted above, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Sections of the Statement are required to be adopted in two phases by the Township for the year ended December 31, 2021 and the year ending December 31, 2022.

GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This Statement is required to be adopted by the Township for the year ending December 31, 2023.

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement is required to be adopted by the Township for the year ending December 31, 2023.

GASB issued Statement No. 99, *Omnibus 2022*. Sections of this Statement are required to be adopted in two phases by the Township for the years ending December 31, 2023 and 2024.

GASB issued Statement No 100, *Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62*. This Statement is required to be adopted by the Township for the year ending December 31, 2024

GASB issued Statement No. 101, *Compensated Absences*. This Statement is required to be adopted by the Township for the year ending December, 2024.

TOWNSHIP OF FALLS
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021

H. Risks and Uncertainties

As the effects of the Coronavirus pandemic continue to evolve and are dependent upon future developments, the impact of the Coronavirus on the Township's operations and financial results are uncertain at this time.

I. Subsequent Events

The Township has evaluated all subsequent events through the report issue date of December 30, 2022.

During 2022, the Township commenced preparation of a new municipal complex to be started in 2023. Township operations and employees will be moved from the current building in 2023. The estimated cost will be \$28.7 million, and the Township is currently evaluating financing options. Construction should take approximately 18 to 24 months. The Township has entered into contracts for architectural, engineering, and construction management.

**REQUIRED
SUPPLEMENTARY
INFORMATION**

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TOWNSHIP OF FALLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION PLAN
Last Ten Fiscal Years *

	2014	2015	2016	2017	2018	2019	2020	2021
Total Pension Liability								
Service Cost	\$ 662,062	\$ 756,746	\$ 794,583	\$ 736,797	\$ 773,637	\$ 814,432	\$ 855,154	\$ 968,370
Interest	2,962,558	3,249,829	3,398,444	3,539,586	3,684,929	3,743,174	3,890,135	4,261,185
Changes of Benefit Terms	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	-	1,873,097	-	(943,976)	-	(1,139,322)	-	557,157
Changes of Assumptions	-	-	-	926,401	-	-	-	3,856,358
Benefit Payments, Including Refunds of Member Contributions	(1,927,596)	(2,075,442)	(2,297,995)	(2,408,790)	(2,584,096)	(2,679,844)	(2,842,803)	(2,988,525)
Net Change in Total Pension Liability	<u>1,697,024</u>	<u>3,804,230</u>	<u>1,895,032</u>	<u>1,850,018</u>	<u>1,874,470</u>	<u>738,440</u>	<u>1,902,486</u>	<u>6,654,545</u>
Total Pension Liability - Beginning	<u>37,333,715</u>	<u>39,030,739</u>	<u>42,834,969</u>	<u>44,730,001</u>	<u>46,580,019</u>	<u>48,454,489</u>	<u>49,192,929</u>	<u>51,095,415</u>
Total Pension Liability - Ending	<u>\$ 39,030,739</u>	<u>\$ 42,834,969</u>	<u>\$ 44,730,001</u>	<u>\$ 46,580,019</u>	<u>\$ 48,454,489</u>	<u>\$ 49,192,929</u>	<u>\$ 51,095,415</u>	<u>\$ 57,749,960</u>
Plan Fiduciary Net Position								
Contributions - Employer	\$ 1,222,066	\$ 1,697,576	\$ 1,957,876	\$ 1,956,735	\$ 2,167,153	\$ 2,117,244	\$ 2,166,252	\$ 2,448,323
Contributions - State Aid	518,939	537,154	621,200	633,179	665,183	711,750	669,641	681,214
Contributions - Member	314,428	311,101	315,499	353,703	316,462	353,460	365,197	365,508
Net Investment Income	1,188,621	(190,002)	1,246,210	2,543,064	(923,856)	2,830,365	2,613,131	2,565,644
Benefit Payments, Including Refunds of Member Contributions	(1,927,596)	(2,075,442)	(2,297,995)	(2,408,790)	(2,584,096)	(2,679,844)	(2,842,803)	(2,988,525)
Administrative Expense	-	(19,154)	-	(20,126)	(14,926)	(6,300)	(10,900)	(11,725)
Net Change in Plan Fiduciary Net Position	<u>1,316,458</u>	<u>261,233</u>	<u>1,842,790</u>	<u>3,057,765</u>	<u>(374,080)</u>	<u>3,326,675</u>	<u>2,960,518</u>	<u>3,060,439</u>
Plan Net Position - Beginning	<u>22,303,497</u>	<u>23,619,955</u>	<u>23,881,188</u>	<u>25,723,978</u>	<u>28,781,743</u>	<u>28,407,663</u>	<u>31,734,338</u>	<u>34,694,856</u>
Plan Net Position - Ending	<u>\$ 23,619,955</u>	<u>\$ 23,881,188</u>	<u>\$ 25,723,978</u>	<u>\$ 28,781,743</u>	<u>\$ 28,407,663</u>	<u>\$ 31,734,338</u>	<u>\$ 34,694,856</u>	<u>\$ 37,755,295</u>
Plan's Net Pension Liability	<u>\$ 15,410,784</u>	<u>\$ 18,953,781</u>	<u>\$ 19,006,023</u>	<u>\$ 17,798,276</u>	<u>\$ 20,046,826</u>	<u>\$ 17,458,591</u>	<u>\$ 16,400,559</u>	<u>\$ 19,994,665</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.5%	55.8%	57.5%	61.8%	58.6%	64.5%	67.9%	65.4%
Covered Payroll	\$ 5,284,622	\$ 5,924,242	\$ 6,025,885	\$ 6,178,344	\$ 6,348,464	\$ 6,300,000	\$ 6,400,000	\$ 6,800,000
Plan's Net Pension Liability as a Percentage of Covered Payroll	291.6%	319.9%	315.4%	288.1%	315.8%	277.1%	256.3%	294.0%

Notes to Schedules:

Assumption Change - In 2017, the mortality assumption was changed from the 1992 Railroad Board Table to the Blue Collar RP-2000 Table.

* This schedule is presented to illustrate the requirement to show information for ten years. However, until a full 10-year trend is complete, available information is presented.

TOWNSHIP OF FALLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
NONUNIFORM PENSION PLAN
Last Ten Fiscal Years *

	2014	2015	2016	2017	2018	2019	2020
Total Pension Liability							
Service Cost	\$ 136,121	\$ 131,154	\$ 136,023	\$ 148,369	\$ 161,037	\$ 152,777	\$ 164,134
Interest	75,226	86,385	98,040	106,054	113,687	130,777	142,502
Changes of Benefit Terms	-	-	-	-	23,985	-	-
Differences Between Expected and Actual Experience	113	132	168	-	395	(47,921)	4,566
Changes of Assumptions	-	471	1,770	-	-	-	14,721
Benefit Payments, Including Refunds of Member Contributions	(5,191)	(5,191)	(5,191)	(5,191)	(23,087)	(23,243)	(61,108)
Net Change in Total Pension Liability	206,269	212,951	230,810	249,232	276,017	212,390	264,815
Total Pension Liability - Beginning	1,318,462	1,524,731	1,737,682	1,968,492	2,217,724	2,493,741	2,706,131
Total Pension Liability - Ending	<u>\$ 1,524,731</u>	<u>\$ 1,737,682</u>	<u>\$ 1,968,492</u>	<u>\$ 2,217,724</u>	<u>\$ 2,493,741</u>	<u>\$ 2,706,131</u>	<u>\$ 2,970,946</u>
Plan Fiduciary Net Position							
Contributions - Employer	\$ 66,091	\$ 62,740	\$ 58,953	\$ 63,012	\$ 71,804	\$ 67,984	\$ 68,943
Contributions - PMRS Assessments	-	-	20	-	20	400	-
Contributions - Member	70,029	68,414	77,070	85,357	89,233	84,793	95,192
Net Investment Income	70,284	(12,456)	131,230	340,274	(155,646)	487,933	432,075
Benefit Payments, Including Refunds of Member Contributions	(5,191)	(5,191)	(5,191)	(5,191)	(23,087)	(23,243)	(61,108)
Administrative Expense	(3,256)	(3,971)	(5,180)	(5,270)	(5,473)	(4,952)	(6,747)
Net Change in Plan Fiduciary Net Position	197,957	109,536	256,902	478,182	(23,149)	612,915	528,355
Plan Net Position - Beginning	1,305,659	1,503,616	1,613,152	1,870,054	2,348,236	2,325,087	2,938,002
Plan Net Position - Ending	<u>\$ 1,503,616</u>	<u>\$ 1,613,152</u>	<u>\$ 1,870,054</u>	<u>\$ 2,348,236</u>	<u>\$ 2,325,087</u>	<u>\$ 2,938,002</u>	<u>\$ 3,466,357</u>
Plan's Net Pension Liability (Asset)	<u>\$ 21,115</u>	<u>\$ 124,530</u>	<u>\$ 98,438</u>	<u>\$ (130,512)</u>	<u>\$ 168,654</u>	<u>\$ (231,871)</u>	<u>\$ (495,411)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.6%	92.8%	95.0%	105.9%	93.2%	108.6%	116.7%
Covered Payroll	\$ 1,321,820	\$ 1,254,799	\$ 1,179,054	\$ 1,260,246	\$ 1,436,085	\$ 1,359,682	\$ 1,378,847
Plan's Net Pension Liability as a Percentage of Covered Payroll	1.6%	9.9%	8.3%	-10.4%	11.7%	-17.1%	-35.9%

Notes to Schedules:

Assumption Change - In 2017, the mortality assumption was changed from the 1992 Railroad Board Table to the Blue Collar RP-2000 Table.

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TOWNSHIP OF FALLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 POLICE PENSION PLAN
 Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Actuarially determined contribution	\$ 1,318,901	\$ 1,470,557	\$ 1,741,005	\$ 2,234,730	\$ 2,579,076	\$ 2,589,914	\$ 2,832,336	\$ 2,828,993	\$ 2,835,893	\$ 3,129,537
Contributions made	<u>1,318,901</u>	<u>1,470,557</u>	<u>1,741,005</u>	<u>2,234,730</u>	<u>2,579,076</u>	<u>2,589,914</u>	<u>2,832,336</u>	<u>2,828,993</u>	<u>2,835,893</u>	<u>3,129,537</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 4,628,098	\$ 4,719,500	\$ 5,284,622	\$ 5,924,242	\$ 6,025,885	\$ 6,178,344	\$ 6,348,464	\$ 6,300,000	\$ 6,400,000	\$ 6,800,000
Contributions as a Percentage of Covered Payroll	28.5%	31.2%	32.9%	37.7%	42.8%	41.9%	44.6%	44.9%	44.3%	46.0%

Notes to schedules:

Valuation date - Actually determined contributions are calculated biennially as of January 1 - most recent valuation is January 1, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age
Amortization method	Level Dollar
Asset valuation method	5 Year Smoothing
Inflation	2.25%
Salary Increases	5.00%
Investment rate of return	7.75% (Net of pension plan investment expenses including inflation)
Retirement age	50
Mortality rates	PUBS-2010 Mortality

TOWNSHIP OF FALLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 NONUNIFORM PENSION PLAN
 Last Ten Fiscal Years *

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Statutorially Required Contribution (SRC)	\$ 66,432	\$ 63,080	\$ 59,293	\$ 63,372	\$ 72,164	\$ 67,984	\$ 68,943
Contributions in Relation to the SRC	<u>66,091</u>	<u>62,740</u>	<u>58,973</u>	<u>63,012</u>	<u>71,824</u>	<u>67,984</u>	<u>68,943</u>
Contribution deficiency (excess)	<u>\$ 341</u>	<u>\$ 340</u>	<u>\$ 320</u>	<u>\$ 360</u>	<u>\$ 340</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Employee Payroll	\$ 1,321,820	\$ 1,254,799	\$ 1,179,054	\$ 1,260,246	\$ 1,436,085	\$ 1,359,680	\$ 1,378,847
Contributions as a Percentage of Covered Employee Payroll	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

Notes to schedules:

Valuation date - Actually determined contributions are calculated biennially as of January 1 - most recent valuation is January 1, 2021

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Cost of living increases	2.20%
Inflation	2.20%
Salary Increases	3.30%
Investment rate of return	5.25% (Net of pension plan investment expenses including inflation)
Retirement age	60
Mortality rates	Pre-Retirement: PUB-2010 General Employees male and female tables Post-Retirement: RP-2006 Annuitant male and female tables

For 12/31/20, assumptions are based on the PMRS Experience Study for the period covering January 1, 2014 through December 31, 2018 issued by the actuary in September 2020.

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 However, until a full 10-year trend is complete, available information is presented.

TOWNSHIP OF FALLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 POLICE PENSION PLAN
 Last Ten Years *

	2014	2015	2016	2017	2018	2019	2020	2021
Annual money-weighted rate of return, net of investment expenses	5.50%	-0.80%	5.16%	9.89%	-3.24%	9.96%	8.46%	7.39%

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TOWNSHIP OF FALLS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF INVESTMENT RETURNS
 NONUNIFORM PENSION PLAN
 Last Ten Years *

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Annual money-weighted rate of return, net of investment expenses	5.20%	-0.27%	8.23%	17.84%	8.60%	5.60%	11.34%

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TOWNSHIP OF FALLS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN PLAN'S NET OPEB LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years *

	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$ 206,828	\$ 217,169	\$ 125,851	\$ 132,144	\$ 151,132
Interest	410,283	415,612	292,226	289,196	226,293
Changes of Benefit Terms	-	-	(2,905,326)	-	107,169
Differences Between Expected and Actual Experience	-	-	96,246	-	(476,135)
Changes of Assumptions	-	-	682,714	-	1,645,727
Benefit Payments	(474,056)	(496,584)	(516,459)	(518,742)	(597,181)
Net Change in Total OPEB Liability	143,055	136,197	(2,224,748)	(97,402)	1,057,005
Total OPEB Liability - Beginning	10,971,063	11,114,118	11,250,315	9,025,567	8,928,165
Total OPEB Liability - Ending	<u>\$ 11,114,118</u>	<u>\$ 11,250,315</u>	<u>\$ 9,025,567</u>	<u>\$ 8,928,165</u>	<u>\$ 9,985,170</u>
Plan Fiduciary Net Position					
Contributions - Employer	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - State Aid	-	-	-	-	-
Contributions - Member	-	-	-	-	-
Net Investment Income	-	-	-	-	-
Benefit Payments	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-	-	-
Plan Net Position - Beginning	-	-	-	-	-
Plan Net Position - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan's Net OPEB Liability	<u>\$ 11,114,118</u>	<u>\$ 11,250,315</u>	<u>\$ 9,025,567</u>	<u>\$ 8,928,165</u>	<u>\$ 9,985,170</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered Payroll	\$ 9,101,282	\$ 9,556,346	\$ 9,536,304	\$ 10,013,119	\$ 10,616,293
Plan's Net OPEB Liability as a Percentage of Covered Payroll	122.1%	117.7%	94.6%	89.2%	94.1%

Notes to schedules:

Changes in assumptions: Changes in assumptions and other inputs reflect changes in the discount rate for each period.

Discount rates used in each period 4.00% 3.75% 3.25% 3.25% 2.25%

Effective January 1, 2020, changes to the Public Works contract:

(a) Minimum service to receive OPEB changed from no minimum service requirement to a minimum of 20 years of service.

(b) For retirees with a minimum of 20 years of service, monthly stipend increased from \$500 to \$1,250 per month.

Within the Police group, the cost of coverage for the only retiree in the Township decreased by 12% as opposed to increasing by 11% as projected.

The Township has not accumulated assets in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75 to pay OPEB benefits.

* This schedule is presented to illustrate the requirement to show information for ten years. However, until a full 10-year trend is complete, available information is presented.

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**OTHER
SUPPLEMENTARY
INFORMATION**

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TOWNSHIP OF FALLS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2021

	Special Revenue Funds							Total Nonmajor Governmental Funds	
	Fire Hydrant	Highway Aid	Street Lighting	Fire Protection	Library	Recycling	Parks & Recreation		Rescue Squad
ASSETS									
Cash and cash equivalents	\$ 129,211	\$ 743,955	\$ 277,452	\$ 20,770	\$ 2,954	\$ 455,493	\$ 422,683	\$ 30,077	\$ 2,082,595
Accounts receivable, net	-	-	-	-	-	-	214	-	214
Taxes receivable	2,916	-	9,399	13,272	2,364	-	15,465	5,309	48,725
Prepaid items	-	-	-	1,898	-	-	6,533	1,368	9,799
TOTAL ASSETS	\$ 132,127	\$ 743,955	\$ 286,851	\$ 35,940	\$ 5,318	\$ 455,493	\$ 444,895	\$ 36,754	\$ 2,141,333
LIABILITIES									
Accounts payable	\$ 20,494	\$ 230	\$ 7,731	\$ -	\$ -	\$ -	\$ 6,630	\$ -	\$ 35,085
Interfund payable	-	-	-	-	-	-	373	-	373
Deposits	-	-	-	-	-	-	250	-	250
Salaries and benefits payable	-	-	-	-	-	-	16,531	-	16,531
TOTAL LIABILITIES	20,494	230	7,731	-	-	-	23,784	-	52,239
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue - real estate taxes	2,416	-	7,823	11,040	1,976	-	12,858	4,416	40,529
TOTAL DEFERRED INFLOWS OF RESOURCES	2,416	-	7,823	11,040	1,976	-	12,858	4,416	40,529
FUND BALANCES									
Nonspendable:									
Prepaid items	-	-	-	1,898	-	-	6,533	1,368	9,799
Restricted for:									
Recycling expenditures	-	-	-	-	-	455,493	-	-	455,493
Parks and recreation	-	-	-	-	-	-	401,720	-	401,720
Rescue Squad	-	-	-	-	-	-	-	30,970	30,970
Fire hydrant	109,217	-	-	-	-	-	-	-	109,217
Fire protection	-	-	-	23,002	-	-	-	-	23,002
Library	-	-	-	-	3,342	-	-	-	3,342
Highway aid	-	743,725	-	-	-	-	-	-	743,725
Street lighting	-	-	271,297	-	-	-	-	-	271,297
TOTAL FUND BALANCES	109,217	743,725	271,297	24,900	3,342	455,493	408,253	32,338	2,048,565
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 132,127	\$ 743,955	\$ 286,851	\$ 35,940	\$ 5,318	\$ 455,493	\$ 444,895	\$ 36,754	\$ 2,141,333

TOWNSHIP OF FALLS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Special Revenue Funds								Total Nonmajor Governmental Funds
	Fire Hydrant	Highway Aid	Street Lighting	Fire Protection	Library	Recycling	Parks & Recreation	Rescue Squad	
REVENUES									
Taxes									
Property	\$ 89,411	\$ -	\$ 290,778	\$ 412,945	\$ 75,706	\$ -	\$ 482,320	\$ 165,179	\$ 1,516,339
Motor fuel tax	-	885,621	-	-	-	-	-	-	885,621
Other	1,749	-	5,702	-	1,490	-	9,460	3,240	21,641
Interest Earnings	-	116	-	-	-	27	72	-	215
Rents	-	-	-	-	-	-	20,195	-	20,195
Intergovernmental	-	-	-	206,968	-	-	-	-	206,968
Charges for services	-	-	-	-	-	-	142,340	-	142,340
TOTAL REVENUES	<u>91,160</u>	<u>885,737</u>	<u>296,480</u>	<u>619,913</u>	<u>77,196</u>	<u>27</u>	<u>654,387</u>	<u>168,419</u>	<u>2,793,319</u>
EXPENDITURES									
Current									
Public safety	87,945	-	-	602,771	-	-	-	160,176	850,892
Public works - highways and streets	-	764,617	278,054	-	-	-	-	-	1,042,671
Culture and recreation	-	-	-	-	75,000	-	290,466	-	365,466
Capital outlay									
Culture and recreation	-	-	-	-	-	-	275,510	-	275,510
Public works - highways and streets	-	422,493	-	-	-	-	-	-	422,493
TOTAL EXPENDITURES	<u>87,945</u>	<u>1,187,110</u>	<u>278,054</u>	<u>602,771</u>	<u>75,000</u>	<u>-</u>	<u>565,976</u>	<u>160,176</u>	<u>2,957,032</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,215</u>	<u>(301,373)</u>	<u>18,426</u>	<u>17,142</u>	<u>2,196</u>	<u>27</u>	<u>88,411</u>	<u>8,243</u>	<u>(163,713)</u>
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	-	-	-	-	100,000	-	100,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
NET CHANGES IN FUND BALANCES	3,215	(301,373)	18,426	17,142	2,196	27	188,411	8,243	(63,713)
FUND BALANCES, BEGINNING OF YEAR	<u>106,002</u>	<u>1,045,098</u>	<u>252,871</u>	<u>7,758</u>	<u>1,146</u>	<u>455,466</u>	<u>219,842</u>	<u>24,095</u>	<u>2,112,278</u>
FUND BALANCES, END OF YEAR	<u>\$ 109,217</u>	<u>\$ 743,725</u>	<u>\$ 271,297</u>	<u>\$ 24,900</u>	<u>\$ 3,342</u>	<u>\$ 455,493</u>	<u>\$ 408,253</u>	<u>\$ 32,338</u>	<u>\$ 2,048,565</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FIRE HYDRANT SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ 90,878	\$ 90,878	\$ 89,411	\$ (1,467)
Other taxes	-	-	1,749	1,749
Interest earnings	200	200	-	(200)
TOTAL REVENUES	<u>91,078</u>	<u>91,078</u>	<u>91,160</u>	<u>82</u>
EXPENDITURES				
Current				
Public safety	<u>199,534</u>	<u>199,534</u>	<u>87,945</u>	<u>111,589</u>
TOTAL EXPENDITURES	<u>199,534</u>	<u>199,534</u>	<u>87,945</u>	<u>111,589</u>
NET CHANGE IN FUND BALANCE	(108,456)	(108,456)	3,215	111,671
FUND BALANCE, BEGINNING	<u>108,456</u>	<u>108,456</u>	<u>106,002</u>	<u>(2,454)</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,217</u>	<u>\$ 109,217</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
HIGHWAY AID SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Motor fuel tax	\$ 851,407	\$ 851,407	\$ 885,621	\$ 34,214
Interest earnings	12,000	12,000	116	(11,884)
TOTAL REVENUES	<u>863,407</u>	<u>863,407</u>	<u>885,737</u>	<u>22,330</u>
EXPENDITURES				
Current				
Public works - highways and streets	1,527,027	1,527,027	764,617	762,410
Capital outlay				
Public works - highways and streets	<u>243,000</u>	<u>243,000</u>	<u>422,493</u>	<u>(179,493)</u>
TOTAL EXPENDITURES	<u>1,770,027</u>	<u>1,770,027</u>	<u>1,187,110</u>	<u>582,917</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(906,620)</u>	<u>(906,620)</u>	<u>(301,373)</u>	<u>605,247</u>
NET CHANGE IN FUND BALANCE	(906,620)	(906,620)	(301,373)	605,247
FUND BALANCE (DEFICIT), BEGINNING	<u>906,620</u>	<u>906,620</u>	<u>1,045,098</u>	<u>138,478</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 743,725</u>	<u>\$ 743,725</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
STREET LIGHTING SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ 295,499	\$ 295,499	\$ 290,778	\$ (4,721)
Other taxes	-	-	5,702	5,702
Interest earnings	500	500	-	(500)
TOTAL REVENUES	<u>295,999</u>	<u>295,999</u>	<u>296,480</u>	<u>481</u>
EXPENDITURES				
Current				
Public works - highways and streets	<u>551,142</u>	<u>551,142</u>	<u>278,054</u>	<u>273,088</u>
TOTAL EXPENDITURES	<u>551,142</u>	<u>551,142</u>	<u>278,054</u>	<u>273,088</u>
NET CHANGE IN FUND BALANCE	(255,143)	(255,143)	18,426	273,569
FUND BALANCE, BEGINNING	<u>255,143</u>	<u>255,143</u>	<u>252,871</u>	<u>(2,272)</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 271,297</u>	<u>\$ 271,297</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FIRE PROTECTION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ 419,183	\$ 419,183	\$ 412,945	\$ (6,238)
Intergovernmental	215,000	215,000	206,968	(8,032)
Interest earnings	200	200	-	(200)
TOTAL REVENUES	<u>634,383</u>	<u>634,383</u>	<u>619,913</u>	<u>(14,470)</u>
EXPENDITURES				
Current				
Public works - highways and streets	642,201	642,201	602,771	39,430
TOTAL EXPENDITURES	<u>642,201</u>	<u>642,201</u>	<u>602,771</u>	<u>39,430</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,818)</u>	<u>(7,818)</u>	<u>17,142</u>	<u>24,960</u>
NET CHANGE IN FUND BALANCE	(7,818)	(7,818)	17,142	24,960
FUND BALANCE (DEFICIT), BEGINNING	<u>7,818</u>	<u>7,818</u>	<u>7,758</u>	<u>(60)</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,900</u>	<u>\$ 24,900</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
LIBRARY SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ 76,495	\$ 76,495	\$ 75,706	\$ (789)
Other taxes	-	-	1,490	1,490
Interest earnings	10	10	-	(10)
	<u>76,505</u>	<u>76,505</u>	<u>77,196</u>	<u>691</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Culture and recreation	<u>77,397</u>	<u>77,397</u>	<u>75,000</u>	<u>2,397</u>
TOTAL EXPENDITURES	<u>77,397</u>	<u>77,397</u>	<u>75,000</u>	<u>2,397</u>
NET CHANGE IN FUND BALANCE	(892)	(892)	2,196	3,088
FUND BALANCE, BEGINNING	<u>892</u>	<u>892</u>	<u>1,146</u>	<u>254</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,342</u>	<u>\$ 3,342</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
PARKS AND RECREATION SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ 489,477	489,477	\$ 482,320	\$ (7,157)
Other taxes	-	-	9,460	9,460
Rents	10,000	10,000	20,195	10,195
Charges for services	198,300	198,300	142,340	(55,960)
Interest earnings	5,000	5,000	72	(4,928)
Contribution and donations	4,000	4,000	-	(4,000)
TOTAL REVENUES	<u>706,777</u>	<u>706,777</u>	<u>654,387</u>	<u>(52,390)</u>
EXPENDITURES				
Current				
Parks and recreation	948,658	948,658	290,466	658,192
Capital outlay	-	-	275,510	(275,510)
TOTAL EXPENDITURES	<u>948,658</u>	<u>948,658</u>	<u>565,976</u>	<u>382,682</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(241,881)	(241,881)	88,411	330,292
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
NET CHANGE IN FUND BALANCE	(141,881)	(141,881)	188,411	330,292
FUND BALANCE, BEGINNING	141,881	141,881	219,842	77,961
FUND BALANCE (DEFICIT), ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 408,253</u>	<u>\$ 408,253</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
RESCUE SQUAD SPECIAL REVENUE FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property tax	\$ 167,483	\$ 167,483	\$ 165,179	\$ (2,304)
Other taxes	-	-	3,240	3,240
Interest earnings	75	75	-	(75)
	<u>167,558</u>	<u>167,558</u>	<u>168,419</u>	<u>861</u>
TOTAL REVENUES				
EXPENDITURES				
Current				
Public safety	191,718	191,718	160,176	31,542
	<u>191,718</u>	<u>191,718</u>	<u>160,176</u>	<u>31,542</u>
TOTAL EXPENDITURES				
NET CHANGE IN FUND BALANCE	(24,160)	(24,160)	8,243	32,403
FUND BALANCE, BEGINNING	<u>24,160</u>	<u>24,160</u>	<u>24,095</u>	<u>(65)</u>
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,338</u>	<u>\$ 32,338</u>

TOWNSHIP OF FALLS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL RESERVE CAPITAL PROJECTS FUND
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Interest earnings	\$ 25,000	\$ 25,000	\$ 490	\$ (24,510)
TOTAL REVENUES	<u>25,000</u>	<u>25,000</u>	<u>490</u>	<u>(24,510)</u>
EXPENDITURES				
Current				
General government	60,000	60,000	18,912	41,088
Public works - highways and streets	2,339,281	2,339,281	-	2,339,281
Culture and recreation	500	500	-	500
Capital outlay				
General government	15,000	15,000	-	15,000
TOTAL EXPENDITURES	<u>2,414,781</u>	<u>2,414,781</u>	<u>18,912</u>	<u>2,395,869</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,389,781)	(2,389,781)	(18,422)	2,371,359
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
NET CHANGE IN FUND BALANCE	(2,289,781)	(2,289,781)	81,578	2,371,359
FUND BALANCE (DEFICIT), BEGINNING	<u>2,289,781</u>	<u>2,289,781</u>	<u>2,258,913</u>	<u>(30,868)</u>
FUND BALANCE (DEFICIT), ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,340,491</u>	<u>\$ 2,340,491</u>

TOWNSHIP OF FALLS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2021

	2020	2021
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 16,460,926	\$ 16,460,926
Construction in progress	746,526	13,337
Building	6,005,505	6,005,505
Machinery and Equipment	5,771,214	5,960,370
Improvements	16,418,967	16,633,931
Infrastructure	119,270,816	122,951,044
Vehicles	3,779,946	4,164,477
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 168,453,900	\$ 172,189,590

	2020	2021
INVESTMENTS IN GOVERNMENTAL FUNDS		
CAPITAL ASSETS BY SOURCE		
General Fund	\$ 6,482,240	\$ 6,482,240
Special Revenue Fund	3,124,527	3,547,020
Capital Reserve Fund	5,243,954	5,243,954
Host Community Fees Fund	147,861,592	151,174,789
Donations	5,741,587	5,741,587
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	\$ 168,453,900	\$ 172,189,590

TOWNSHIP OF FALLS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Function and Activity</u>	<u>Land</u>	<u>Construction in progress</u>	<u>Buildings</u>	<u>Improvements Other Than Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>	<u>Vehicles</u>	<u>Total</u>
General government:								
Supervisors			\$ 29,444		\$ 6,739			\$ 36,183
Manager			41,214		17,741			58,955
Finance and Administration			2,690,051		663,942			3,353,993
Other-unclassified		\$ -	458,969	\$ 15,600	171,833			646,402
Total general government	-	-	3,219,678	15,600	860,255	-	-	4,095,533
Public Safety								
Police			188,233		2,229,179		1,918,920	4,336,332
Fire and Emergency					44,204		176,479	220,683
License and Inspection					46,847		86,885	133,732
Total public safety		-	188,233	-	2,320,230	-	2,182,284	4,690,747
Highways and Streets:								
Engineering			646,771			8,241,733		8,888,504
Maintenance				19,375	2,449,260	359,493	1,875,601	4,703,729
Street System	1,757,000					114,349,818		116,106,818
Total highways and streets	1,757,000	-	646,771	19,375	2,449,260	122,951,044	1,875,601	129,699,051
Parks and recreation	14,703,926	13,337	1,950,823	16,598,956	330,625	-	106,592	33,704,259
Total governmental funds capital assets	\$ 16,460,926	\$ 13,337	\$ 6,005,505	\$ 16,633,931	\$ 5,960,370	\$ 122,951,044	\$ 4,164,477	\$ 172,189,590

TOWNSHIP OF FALLS
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY

FOR THE YEAR ENDED DECEMBER 31, 2021

<u>Function and Activity</u>	Governmental Funds Capital Assets <u>January 1, 2021</u>	<u>Additions</u>	<u>Deletions</u>	Governmental Funds Capital Assets <u>December 31, 2021</u>
General Government				
Supervisors	\$ 36,183	\$ -	\$ -	\$ 36,183
Manager	58,955	-	-	58,955
Finance and Administration	3,926,855	-	-	3,926,855
Other-Unclassified	736,105	83,961	746,525	73,541
Total general government	<u>4,758,098</u>	<u>83,961</u>	<u>746,525</u>	<u>4,095,534</u>
Public Safety				
Police	4,210,782	342,698	217,148	4,336,332
Fire and Emergency Management	186,493	34,190	-	220,683
License and Inspection	133,732	-	-	133,732
Total public safety	<u>4,531,007</u>	<u>376,888</u>	<u>217,148</u>	<u>4,690,747</u>
Highway and Streets				
Engineering	7,961,038	927,466	-	8,888,504
Maintenance	4,308,300	331,911	27,065	4,613,146
Street system	113,444,638	2,752,762	-	116,197,400
Total highways and streets	<u>125,713,976</u>	<u>4,012,139</u>	<u>27,065</u>	<u>129,699,050</u>
Parks and recreation	<u>33,450,819</u>	<u>275,511</u>	<u>22,071</u>	<u>33,704,259</u>
Total governmental funds capital assets	<u>\$ 168,453,900</u>	<u>\$ 4,748,499</u>	<u>\$ 1,012,809</u>	<u>\$ 172,189,590</u>

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**STATISTICAL
SECTION**

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**TOWNSHIP OF FALLS
COUNTY OF BUCKS, PENNSYLVANIA
DECEMBER 31, 2021**

Statistical Section

This part of the Falls Township Annual Comprehensive 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

Financial trends

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

Revenue capacity

These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

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.

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.

Operating information

These schedules contain service and miscellaneous data to help the reader understand how the information in the Township's financial report relates to the service the Township provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

TOWNSHIP OF FALLS
Net Position by Components
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental activities										
Net position, invested in capital assets	\$ 87,553,541	\$ 87,526,313	\$ 87,863,974	\$ 89,222,686	\$ 91,172,798	\$ 92,304,493	\$ 94,701,771	\$ 96,366,263	\$ 95,245,962	\$ 89,871,750
Restricted	2,494,259	2,283,848	2,131,956	1,937,753	1,853,004	1,130,649	616,792	693,937	864,626	1,137,956
Unrestricted	<u>31,808,004</u>	<u>26,932,212</u>	<u>25,371,740</u>	<u>17,496,375</u>	<u>18,581,076</u>	<u>16,378,231</u>	<u>18,405,489</u>	<u>36,613,764</u>	<u>40,705,849</u>	<u>47,395,896</u>
Total governmental activities net position	<u>\$ 121,855,804</u>	<u>\$ 116,742,373</u>	<u>\$ 115,367,670</u>	<u>\$ 108,656,814</u>	<u>\$ 111,606,878</u>	<u>\$ 109,813,373</u>	<u>\$ 113,724,052</u>	<u>\$ 133,673,964</u>	<u>\$ 136,816,437</u>	<u>\$ 138,405,602</u>
Business-type activities										
Net position, invested in capital assets	\$ 162,700	\$ 162,700	\$ 162,700	\$ 164,673	\$ 166,646	\$ 168,619	\$ 170,592	\$ 172,565	\$ 174,538	\$ 176,511
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>(127,766)</u>	<u>(170,304)</u>	<u>(122,927)</u>	<u>(165,406)</u>	<u>(132,911)</u>	<u>(126,453)</u>	<u>(104,443)</u>	<u>(155,586)</u>	<u>(175,414)</u>	<u>(203,530)</u>
Total business-type activities net position	<u>\$ 34,934</u>	<u>\$ (7,604)</u>	<u>\$ 39,773</u>	<u>\$ (733)</u>	<u>\$ 33,735</u>	<u>\$ 42,166</u>	<u>\$ 66,149</u>	<u>\$ 16,979</u>	<u>\$ (876)</u>	<u>\$ (27,019)</u>
Primary government										
Net position, invested in capital assets	\$ 87,716,241	\$ 87,689,013	\$ 88,026,674	\$ 89,387,359	\$ 91,339,444	\$ 92,473,112	\$ 94,872,363	\$ 96,538,828	\$ 95,420,500	\$ 90,048,261
Restricted	2,494,259	2,283,848	2,131,956	1,937,753	1,853,004	1,130,649	616,792	693,937	864,626	1,137,956
Unrestricted	<u>31,680,238</u>	<u>26,761,908</u>	<u>25,248,813</u>	<u>17,330,969</u>	<u>18,448,165</u>	<u>16,251,778</u>	<u>18,301,046</u>	<u>36,458,178</u>	<u>40,530,435</u>	<u>47,192,366</u>
Total primary government net position	<u>\$ 121,890,738</u>	<u>\$ 116,734,769</u>	<u>\$ 115,407,443</u>	<u>\$ 108,656,081</u>	<u>\$ 111,640,613</u>	<u>\$ 109,855,539</u>	<u>\$ 113,790,201</u>	<u>\$ 133,690,943</u>	<u>\$ 136,815,561</u>	<u>\$ 138,378,583</u>

Note: GASB Statement No. 68 has been implemented beginning in the 2015 year and the prior years have not been restated.

Source: Falls Township records

TOWNSHIP OF FALLS
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses										
Governmental activities										
General government	\$ 4,520,223	\$ 3,912,871	\$ 3,249,482	\$ 2,873,517	\$ 2,777,044	\$ 2,526,600	\$ 2,604,253	\$ 2,713,828	\$ 2,573,012	\$ 2,415,703
Public safety	19,669,655	18,449,272	16,036,113	18,673,866	18,450,556	18,063,659	17,048,216	16,080,941	15,554,489	14,588,506
Public works - highways and streets	6,136,621	6,311,940	6,523,490	6,304,948	6,143,092	5,964,181	6,112,069	6,198,874	5,817,812	5,530,481
Parks and recreation	1,202,197	1,431,403	1,457,548	1,702,130	1,647,909	1,583,519	1,381,797	1,826,865	1,902,802	1,837,690
Debt service interest	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	<u>31,528,696</u>	<u>30,105,486</u>	<u>27,266,633</u>	<u>29,554,461</u>	<u>29,018,601</u>	<u>28,137,959</u>	<u>27,146,335</u>	<u>26,820,508</u>	<u>25,848,115</u>	<u>24,372,380</u>
Business-type activities										
Water	-	-	-	-	-	-	-	-	-	-
Sewer	-	-	-	-	-	-	-	-	-	-
Pinewood Pool	215,299	97,377	208,208	220,009	186,823	201,255	191,930	169,094	222,846	226,079
Total business-type activities expenses	<u>215,299</u>	<u>97,377</u>	<u>208,208</u>	<u>220,009</u>	<u>186,823</u>	<u>201,255</u>	<u>191,930</u>	<u>169,094</u>	<u>222,846</u>	<u>226,079</u>
Total primary government expenses	<u>\$ 31,743,995</u>	<u>\$ 30,202,863</u>	<u>\$ 27,474,841</u>	<u>\$ 29,774,470</u>	<u>\$ 29,205,424</u>	<u>\$ 28,339,214</u>	<u>\$ 27,338,265</u>	<u>\$ 26,989,602</u>	<u>\$ 26,070,961</u>	<u>\$ 24,598,459</u>
Program revenues										
Governmental activities										
Charges for services										
General government	\$ 405,328	\$ 993,247	\$ 1,189,498	\$ 1,084,762	\$ 1,168,042	\$ 1,221,268	\$ 1,126,255	\$ 1,089,257	\$ 1,021,066	\$ 953,299
Public safety	2,852,864	1,861,102	2,016,786	1,664,920	1,710,954	1,683,666	1,562,830	1,547,850	1,537,430	1,496,699
Public works - highways and streets	75,252	46,195	58,116	88,563	49,849	40,756	83,773	55,208	140,425	59,570
Parks and recreation	169,191	47,425	216,936	189,182	203,229	183,297	154,321	155,373	178,347	174,219
Operating grants & contributions										
General government	965,119	889,388	883,379	827,383	633,179	704,953	600,873	630,338	628,019	579,781
Public safety	242,244	227,528	257,363	247,377	263,627	300,765	279,659	296,721	312,828	278,797
Public works - highways and streets	885,621	943,567	971,833	1,178,465	1,160,217	893,062	737,750	822,537	702,500	864,175
Parks and recreation	-	-	3,245	4,699	6,800	4,718	12,468	670	30	32
Total governmental activities program revenues	<u>5,595,619</u>	<u>5,008,452</u>	<u>5,597,156</u>	<u>5,285,351</u>	<u>5,195,897</u>	<u>5,032,485</u>	<u>4,557,929</u>	<u>4,597,954</u>	<u>4,520,645</u>	<u>4,406,572</u>
Business-type activities										
Charges for service										
Water	-	-	-	-	-	-	-	-	-	-
Sewer	-	-	-	-	-	-	-	-	-	-
Pinewood Pool	207,837	-	198,714	185,525	178,392	177,272	184,100	156,949	173,989	176,139
Total business-type activities program revenues	<u>207,837</u>	<u>-</u>	<u>198,714</u>	<u>185,525</u>	<u>178,392</u>	<u>177,272</u>	<u>184,100</u>	<u>156,949</u>	<u>173,989</u>	<u>176,139</u>
Total primary government program revenues	<u>\$ 5,803,456</u>	<u>\$ 5,008,452</u>	<u>\$ 5,795,870</u>	<u>\$ 5,470,876</u>	<u>\$ 5,374,289</u>	<u>\$ 5,209,757</u>	<u>\$ 4,742,029</u>	<u>\$ 4,754,903</u>	<u>\$ 4,694,634</u>	<u>\$ 4,582,711</u>
Net (Expense)/Revenue										
Governmental activities	\$ (25,933,077)	\$ (25,097,034)	\$ (21,669,477)	\$ (24,269,110)	\$ (23,822,704)	\$ (23,105,474)	\$ (22,588,406)	\$ (22,222,554)	\$ (21,327,470)	\$ (19,965,808)
Business-type activities	<u>(7,462)</u>	<u>(97,377)</u>	<u>(9,494)</u>	<u>(34,484)</u>	<u>(8,431)</u>	<u>(23,983)</u>	<u>(7,830)</u>	<u>(12,145)</u>	<u>(48,857)</u>	<u>(49,940)</u>
Total primary government net expense	<u>\$ (25,940,539)</u>	<u>\$ (25,194,411)</u>	<u>\$ (21,678,971)</u>	<u>\$ (24,303,594)</u>	<u>\$ (23,831,135)</u>	<u>\$ (23,129,457)</u>	<u>\$ (22,596,236)</u>	<u>\$ (22,234,699)</u>	<u>\$ (21,376,327)</u>	<u>\$ (20,015,748)</u>

(Continued)

TOWNSHIP OF FALLS
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General revenues and other changes in net position										
Governmental activities										
Property taxes, levied for general purposes	\$ 2,322,828	\$ 2,386,023	\$ 2,372,703	\$ 2,285,129	\$ 2,284,653	\$ 2,261,598	\$ 2,265,384	\$ 2,270,450	\$ 2,263,235	\$ 2,274,529
Real estate transfer taxes	2,840,053	974,598	1,105,489	836,009	843,218	831,173	727,455	664,784	858,764	582,059
Local Services taxes	659,821	634,178	658,484	644,855	399,195	418,884	406,667	404,511	371,842	371,546
Mechanical device tax	42,680	39,044	39,161	35,138	34,201	31,414	32,015	34,285	34,023	33,583
Other taxes	51,705	13,975	13,120	13,075	13,105	14,279	14,279	14,173	13,288	14,328
Payment in lieu of taxes	-	-	-	75,000	75,000	74,650	75,000	75,000	75,000	75,459
Contributions not restricted to specific programs	25,087,169	21,630,113	23,098,151	24,172,523	21,706,453	15,256,922	14,298,232	15,419,498	16,082,578	14,104,136
Investment earnings (loss)	(111,687)	562,396	951,214	508,272	182,793	222,764	161,521	176,550	37,434	288,455
Miscellaneous revenues	200,024	281,410	192,011	163,838	77,591	79,525	72,437	46,510	77,141	46,327
Gain / Loss on sale of capital assets	3,915	-	-	16,954	-	3,586	-	4,320	-	-
Transfers	(50,000)	(50,000)	(50,000)	-	-	-	(57,000)	(30,000)	(75,000)	-
Total governmental activities	<u>31,046,508</u>	<u>26,471,737</u>	<u>28,380,333</u>	<u>28,750,793</u>	<u>25,616,209</u>	<u>19,194,795</u>	<u>17,995,990</u>	<u>19,080,081</u>	<u>19,738,305</u>	<u>17,790,422</u>
Business-type activities										
Investment earnings	-	-	-	16	-	-	-	-	-	-
Capital contributions	-	-	-	-	-	-	-	-	-	-
Transfers	50,000	50,000	50,000	-	-	-	57,000	30,000	75,000	-
Total business-type activities	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>16</u>	<u>-</u>	<u>-</u>	<u>57,000</u>	<u>30,000</u>	<u>75,000</u>	<u>-</u>
Total primary government	<u>\$ 31,096,508</u>	<u>\$ 26,521,737</u>	<u>\$ 28,430,333</u>	<u>\$ 28,750,809</u>	<u>\$ 25,616,209</u>	<u>\$ 19,194,795</u>	<u>\$ 18,052,990</u>	<u>\$ 19,110,081</u>	<u>\$ 19,813,305</u>	<u>\$ 17,790,422</u>
Change in net position										
Governmental activities	\$ 5,113,431	\$ 1,374,703	\$ 6,710,856	\$ 4,481,683	\$ 1,793,505	\$ (3,910,679)	\$ (4,592,416)	\$ (3,142,473)	\$ (1,589,165)	\$ (2,175,386)
Business-type activities	42,538	(47,377)	40,506	(34,468)	(8,431)	(23,983)	49,170	17,855	26,143	(49,940)
Total primary government	<u>\$ 5,155,969</u>	<u>\$ 1,327,326</u>	<u>\$ 6,751,362</u>	<u>\$ 4,447,215</u>	<u>\$ 1,785,074</u>	<u>\$ (3,934,662)</u>	<u>\$ (4,543,246)</u>	<u>\$ (3,124,618)</u>	<u>\$ (1,563,022)</u>	<u>\$ (2,225,326)</u>

Source: Falls Township records

TOWNSHIP OF FALLS
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund										
Nonspendable:										
Prepaid Items	\$ 530,090	\$ 589,214	\$ 515,138	\$ 526,682	\$ 477,349	\$ 476,441	\$ 230,604	\$ 233,547	\$ 196,903	\$ 204,163
Assigned to:										
Capital Projects	5,511,447	8,911,595	8,619,178	8,102,212	4,561,979	16,522,982	9,834,657	9,201,402	8,429,981	17,326,670
Subsequent year's budget	-	-	-	-	-	-	107,497	798,013	8,932,781	9,926,276
Unassigned	<u>49,979,065</u>	<u>41,088,618</u>	<u>40,484,753</u>	<u>35,759,191</u>	<u>32,186,591</u>	<u>17,372,557</u>	<u>25,226,617</u>	<u>26,488,008</u>	<u>22,781,297</u>	<u>14,616,130</u>
Total General fund	<u><u>\$56,020,602</u></u>	<u><u>\$50,589,427</u></u>	<u><u>\$49,619,069</u></u>	<u><u>\$44,388,085</u></u>	<u><u>\$37,225,919</u></u>	<u><u>\$34,371,980</u></u>	<u><u>\$35,399,375</u></u>	<u><u>\$36,720,970</u></u>	<u><u>\$40,340,962</u></u>	<u><u>\$42,073,239</u></u>
All other governmental funds										
Nonspendable:										
Prepaid Items	\$ 9,799	\$ 16,678	\$ 14,731	\$ 19,472	\$ 18,259	\$ 18,992	\$ 6,819	\$ 5,261	\$ -	\$ -
Restricted for:										
Culture and recreation	401,720	210,347	191,871	158,593	150,597	5,798	-	-	-	120,805
Fire protection	23,002	5,860	-	-	-	-	-	-	-	1,663
Library support	3,342	1,146	822	106	-	-	-	-	-	372
Rescue squad services	30,970	22,727	19,072	15,927	5,429	4,978	4,722	3,509	1,929	-
Recycling expenditures	455,493	455,466	454,796	451,296	448,500	447,261	446,485	446,335	446,235	446,108
Fire hydrant	109,217	106,002	105,256	81,228	56,311	33,123	10,845	-	-	-
Highway aid	743,725	1,044,975	1,001,128	918,569	929,108	430,561	52,404	178,854	222,604	427,175
Street Lighting	271,297	252,871	240,874	215,732	200,251	172,011	113,158	65,239	-	-
Crime prevention	-	184,454	118,959	96,408	62,808	36,917	-	-	193,858	141,833
Assigned to:										
Capital projects	2,340,491	2,258,913	2,176,209	2,097,933	2,150,376	2,227,944	2,371,834	2,978,281	3,054,331	7,590,030
Unassigned	<u>-</u>	<u>-</u>	<u>(1,141)</u>	<u>(3,192)</u>	<u>(21,693)</u>	<u>(16,507)</u>	<u>(52,215)</u>	<u>(61,846)</u>	<u>(201,774)</u>	<u>(128,119)</u>
Total all other governmental funds	<u><u>\$ 4,389,056</u></u>	<u><u>\$ 4,559,439</u></u>	<u><u>\$ 4,322,577</u></u>	<u><u>\$ 4,052,072</u></u>	<u><u>\$ 3,999,946</u></u>	<u><u>\$ 3,361,078</u></u>	<u><u>\$ 2,954,052</u></u>	<u><u>\$ 3,615,633</u></u>	<u><u>\$ 3,717,183</u></u>	<u><u>\$ 8,599,867</u></u>
Total Governmental Funds	<u><u>\$60,409,658</u></u>	<u><u>\$55,148,866</u></u>	<u><u>\$53,941,646</u></u>	<u><u>\$48,440,157</u></u>	<u><u>\$41,225,865</u></u>	<u><u>\$37,733,058</u></u>	<u><u>\$38,353,427</u></u>	<u><u>\$40,336,603</u></u>	<u><u>\$44,058,145</u></u>	<u><u>\$50,673,106</u></u>

Source: Falls Township records

TOWNSHIP OF FALLS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues										
Taxes										
Property	\$ 2,385,176	\$ 2,385,953	\$ 2,357,216	\$ 2,311,956	\$ 2,272,548	\$ 2,265,864	\$ 2,261,982	\$ 2,284,798	\$ 2,268,738	\$ 2,268,828
Real estate transfer	2,840,053	974,598	1,105,489	836,009	843,218	831,173	727,455	664,784	858,764	582,059
Local Services tax	659,821	637,348	658,301	643,235	396,014	420,501	400,136	410,435	371,787	371,209
Mechanical device	42,680	39,044	39,161	35,138	34,201	31,414	32,015	34,285	34,023	33,583
Motor Fuel tax	885,621	943,566	968,286	947,675	901,513	864,028	737,650	671,686	621,321	633,435
Other	51,705	-	-	-	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	75,000	74,999	74,649	75,000	75,000	75,000	75,459
Host Community fees	25,087,169	21,630,113	23,098,151	24,172,523	21,706,453	15,256,922	14,298,232	15,419,498	16,082,578	14,104,136
Licenses and permits	2,300,487	803,658	823,140	873,720	868,497	878,272	853,011	840,523	816,356	797,257
Fines and forfeits	173,939	139,184	185,468	194,345	233,942	183,350	200,543	182,573	200,345	186,362
Investment earnings (loss)	(111,687)	562,396	951,214	508,273	182,794	222,763	161,521	176,550	37,431	288,457
Rents	82,497	72,712	72,875	60,535	39,427	90,103	73,959	99,532	104,771	98,081
Intergovernmental	1,207,363	1,137,250	1,126,494	1,169,887	1,126,259	979,318	866,063	905,382	973,464	1,070,995
Charges for services	918,861	1,943,561	2,366,188	2,049,040	1,979,522	1,977,827	1,837,137	1,697,430	1,747,987	1,627,068
Contributions and donations	-	4,991	60,890	136,387	68,206	73,745	41,928	187,371	62,685	33,588
Refunds of prior years	181,933	247,389	185,374	62,458	85,187	97,448	71,384	42,788	34,674	34,101
Miscellaneous	44,942	-	-	-	-	-	-	-	-	-
Total revenue	36,750,560	31,521,763	33,998,247	34,076,181	30,812,780	24,247,377	22,638,016	23,692,635	24,289,924	22,204,618
Expenditures										
Current										
General government	3,614,268	3,739,315	3,035,914	2,692,124	2,525,235	2,338,372	2,424,751	2,525,187	2,389,076	2,283,123
Public safety	19,062,453	18,624,097	18,341,650	17,741,879	17,637,681	16,974,695	15,868,682	15,253,208	14,903,972	13,802,918
Public works - highway and street	3,160,729	3,094,573	3,174,345	3,173,868	3,020,790	2,867,881	3,093,416	3,258,566	3,035,945	2,905,706
Culture and recreation	861,414	949,108	929,820	1,187,073	1,093,359	1,028,753	978,519	1,020,866	1,134,638	1,046,577
Capital outlay										
General government	83,961	63,137	114,438	-	215,145	10,121	365,577	240,184	399,969	65,462
Public safety	376,888	229,719	254,332	224,753	264,707	280,549	105,110	150,105	839,433	277,014
Highways and streets	4,012,139	3,365,643	2,388,996	1,610,871	2,174,529	761,630	635,971	4,793,746	6,888,844	4,303,795
Culture and recreation	275,510	199,296	213,490	248,275	388,527	609,331	1,099,615	146,635	1,277,434	758,629
Debt service principal	-	-	-	-	-	-	-	-	-	-
Debt service interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	31,447,362	30,264,888	28,452,985	26,878,843	27,319,973	24,871,332	24,571,641	27,388,497	30,869,311	25,443,224
Excess of revenues over/(under) expenditures	5,303,198	1,256,875	5,545,262	7,197,338	3,492,807	(623,955)	(1,933,625)	(3,695,862)	(6,579,387)	(3,238,606)

(Continued)

TOWNSHIP OF FALLS
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Other financing sources(uses)										
Transfer in	200,000	550,000	550,000	462,000	620,000	856,900	684,000	558,000	5,352,064	9,309,500
Transfer out	(250,000)	(600,000)	(600,000)	(462,000)	(620,000)	(856,900)	(741,000)	(588,000)	(5,427,064)	(9,309,500)
Sale of capital assets	7,594	345	6,227	16,954	-	3,586	7,449	4,320	39,426	10,861
Total other financing sources(uses)	<u>(42,406)</u>	<u>(49,655)</u>	<u>(43,773)</u>	<u>16,954</u>	<u>-</u>	<u>3,586</u>	<u>(49,551)</u>	<u>(25,680)</u>	<u>(35,574)</u>	<u>10,861</u>
Net change in fund balance	<u>\$ 5,260,792</u>	<u>\$ 1,207,220</u>	<u>\$ 5,501,489</u>	<u>\$ 7,214,292</u>	<u>\$ 3,492,807</u>	<u>\$ (620,369)</u>	<u>\$ (1,983,176)</u>	<u>\$ (3,721,542)</u>	<u>\$ (6,614,961)</u>	<u>\$ (3,227,745)</u>
Debt service as a percentage of non-capital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Falls Township records

TOWNSHIP OF FALLS
 General Governmental Tax Revenues by Source
 Last Ten Fiscal Years

Year ending December 31,	Property	Local Services	Real Estate Transfer	Mechanical Device	Total
2012	\$ 2,268,828	\$ 371,209	\$ 582,059	\$ 33,583	\$ 3,255,679
2013	2,268,738	371,787	858,764	34,023	3,533,312
2014	2,284,798	410,435	664,784	34,285	3,394,302
2015	2,261,982	400,136	727,455	32,015	3,421,588
2016	2,265,864	420,501	831,173	31,414	3,548,952
2017	2,272,548	396,014	843,218	34,201	3,545,981
2018	2,311,956	643,235	836,009	35,138	3,826,338
2019	2,357,216	658,301	1,105,489	39,161	4,160,167
2020	2,385,953	637,348	974,598	39,044	4,036,943
2021	2,385,174	659,821	2,840,053	42,680	5,927,728

Sources: Township documents

TOWNSHIP OF FALLS
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year	Real Property Assessed Value ^(a)	Less: Tax Exempt Property	Total Taxable Assessed Value	Estimated Actual Values of Real Property	Ratio of Total Assessed Value to Total Estimated Actual Value ^(b)	Falls Twp Municipal Millage Rate
2012	\$ 378,157,270	\$ 60,545,010	\$ 317,612,260	\$ 4,083,771,814	9.26%	7.22
2013	378,687,490	60,508,530	318,178,960	4,165,978,988	9.09%	7.22
2014	378,528,240	60,583,740	317,944,500	4,087,777,970	9.26%	7.22
2015	374,049,820	55,541,880	318,507,940	4,226,551,638	8.85%	7.22
2016	374,211,350	55,731,820	318,479,530	4,153,289,123	9.01%	7.22
2017	376,243,400	55,731,820	320,511,580	4,102,981,461	9.17%	7.22
2018	376,669,280	55,773,300	320,895,980	3,915,481,081	9.62%	7.22
2019	376,818,470	45,097,760	331,720,710	3,541,526,974	10.64%	7.22
2020	378,331,750	45,215,500	333,116,250	3,365,940,836	11.24%	7.22
2021	378,472,620	51,187,110	327,285,510	3,140,851,618	12.05%	7.22

Source: Falls Township Tax Department (Bucks County, PA Real Estate Assessment Roll)

^(a) Assessed value of real property includes all property within the Township. County assessment records do not provide categorization by use or ownership.

^(b) Information provided by Pennsylvania State Tax Equalization Board (STEB) for Bucks County, PA.

Property Tax Rates
Direct & Overlapping Governments
Per \$1,000 of Assessed Value
Last Ten Fiscal Years

<u>Year</u>	<u>Falls Township</u>			<u>Overlapping Rates</u>		<u>All Government Totals</u>
	<u>Operating Millage</u>	<u>Debt Service Millage</u>	<u>Total Township Millage</u>	<u>Bucks County Total Millage (a)</u>	<u>Pennsbury SD Total Millage (a)</u>	
2012	7.22	0.00	7.22	23.20	150.300	180.720
2013	7.22	0.00	7.22	23.20	150.300	180.720
2014	7.22	0.00	7.22	23.20	153.450	183.870
2015	7.22	0.00	7.22	23.20	157.890	188.310
2016	7.22	0.00	7.22	23.20	161.360	191.780
2017	7.22	0.00	7.22	23.20	165.060	195.480
2018	7.22	0.00	7.22	24.45	167.540	199.210
2019	7.22	0.00	7.22	24.45	170.076	201.746
2020	7.22	0.00	7.22	25.45	170.076	202.746
2021	7.22	0.00	7.22	25.45	174.073	206.743

(a) Information supplied by Falls Township Tax Collector

TOWNSHIP OF FALLS
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	Type of Business	2021			2012		
		Taxable Assessed valuation (a)	Rank	Percentage of total taxable assessed valuation	Taxable Assessed valuation	Rank	Percentage of total taxable assessed valuation
WMI Properties	Industrial	\$ 6,861,270	1	2.10%	\$ 4,001,400	5	1.26%
USX Corp / United States Steel Corp	Industrial	6,124,120	2	1.87%			
Oxford Valley Road Associates	Retail Stores	5,623,860	3	1.72%	6,314,040	1	1.99%
Healey, Robert T. & William J.	Apartment	4,935,880	4	1.51%	4,974,720	2	1.57%
Pennwood Management LLC	Mobile Home Park	4,579,320	5	1.40%	4,579,320	3	1.44%
National Prop. Investments/Village Pennbrook 2 LLC	Apartment	4,320,000	6	1.32%	4,320,000	4	1.36%
K-Mart Corporation / Fairsan Co LLC	Industrial	2,700,000	7	0.82%	3,108,000	6	0.98%
Wheelabrator Falls Inc.	Industrial	2,616,770	8	0.80%	2,616,770	8	0.82%
General Motors LLC	Industrial	2,070,490	9	0.63%	2,070,490	9	0.65%
Bucks County Economic Development Corp.	Development	1,842,770	10	0.56%	2,863,550	7	0.90%
Pennlake Realty Associates	Apartment				1,773,600	10	0.56%
Totals		<u>\$ 28,689,090</u>		<u>8.77%</u>	<u>\$ 32,620,490</u>		<u>10.27%</u>

(a) Total Assessed Valuation equal to \$ 327,285,510

Source: Falls Township records

TOWNSHIP OF FALLS
Property Tax Levies & Collections
Last Ten Fiscal Years

<u>Year</u>	<u>Total Tax Levy</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collections in Subsequent Years</u>	<u>Total Collections to Date</u>	
		<u>Amount</u>	<u>% of Levy</u>		<u>Amount</u>	<u>% of Levy</u>
2012	\$ 2,298,820	\$ 2,203,440	95.85%	\$ 95,273	\$ 2,298,713	99.995%
2013	2,293,161	2,202,566	96.05%	90,411	2,292,977	99.992%
2014	2,297,252	2,208,350	96.13%	88,718	2,297,068	99.992%
2015	2,295,559	2,211,958	96.36%	83,362	2,295,320	99.990%
2016	2,298,187	2,197,967	95.64%	99,635	2,297,602	99.975%
2017	2,303,287	2,214,456	96.14%	88,158	2,302,614	99.971%
2018	2,313,387	2,234,824	96.60%	77,805	2,312,629	99.967%
2019	2,395,023	2,305,707	96.27%	88,226	2,393,933	99.954%
2020	2,409,378	2,361,333	98.01%	32,481	2,393,814	99.354%
2021	2,405,099	2,364,126	98.30%	-	2,364,126	98.296%

Source: Falls Township Tax Collector

TOWNSHIP OF FALLS
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal year	Governmental activities		Business-Type activities		Total Primary Government	Percentage of Personal Income	Per Capita	Per W/S Customer
	General Obligation Bonds	General Obligation Notes	General Obligation Bonds	General Obligation Notes				
2012	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -
2013	-	-	-	-	-	0.00%	-	-
2014	-	-	-	-	-	0.00%	-	-
2015	-	-	-	-	-	0.00%	-	-
2016	-	-	-	-	-	0.00%	-	-
2017	-	-	-	-	-	0.00%	-	-
2018	-	-	-	-	-	0.00%	-	-
2019	-	-	-	-	-	0.00%	-	-
2020	-	-	-	-	-	0.00%	-	-
2021	-	-	-	-	-	0.00%	-	-

Source: Falls Township records

Note: The Township-held Water & Sewer Revenue Bonds, Series 2004, were paid in full on December 15, 2009.
As of December 31, 2009, Falls Township has no outstanding bonded debt.

TOWNSHIP OF FALLS
Ratio of General Bonded Debt Outstanding
Last Ten Years

<u>Year</u>	<u>Population(a)</u>	<u>Assessed Value</u>	<u>Gross Bonded Debt</u>	<u>Debt Payable From Enterprise Revenues</u>	<u>Net Bonded Debt</u>	<u>Ratio Net Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
2012	34,300	\$ 317,612,260	\$ -	\$ -	\$ -	0.000	\$ -
2013	34,300	318,178,960	-	-	-	0.000	-
2014	34,367	317,944,500	-	-	-	0.000	-
2015	33,901	318,507,940	-	-	-	0.000	-
2016	33,714	318,479,530	-	-	-	0.000	-
2017	33,909	320,511,580	-	-	-	0.000	-
2018	33,769	320,895,980	-	-	-	0.000	-
2019	33,520	331,720,710	-	-	-	0.000	-
2020	34,716	333,116,250	-	-	-	0.000	-
2021	34,716	327,285,510	-	-	-	0.000	-

(a) Population Estimates Branch of the U.S. Census

Source: Falls Township records

Note: The Township-held Water & Sewer Revenue Bonds, Series 2004, were paid in full on December 15, 2009.

As of December 31, 2009, Falls Township has no outstanding bonded debt.

TOWNSHIP OF FALLS
Direct & Overlapping Governmental Activities Debt
December 31, 2021

<u>Jurisdiction</u>	<u>Gross Debt Outstanding</u>	<u>Percentage Applicable to Township of Falls</u>	<u>Amount Applicable to Township of Falls</u>
Township of Falls (a)	\$ -	100.00%	\$ -
Pennsbury School District (b)	141,250,000	35.18%	49,691,750
Bucks County (c)	<u>203,223,200</u>	3.90%	<u>7,925,705</u>
 Total - Overlapping Debt	 \$ 344,473,200		 \$ 57,617,455

Sources:

- (a) Falls Township financial records
- (b) Pennsbury School District Business Office
- (c) Bucks County Finance Office

Note: The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping unit's taxable assessed value that is within the Township's boundaries and dividing it by the unit's total taxable assessed value.

Note: The Township-held Water & Sewer Revenue Bonds, Series 2004, were paid in full on December 15, 2009. As of December 31, 2009, Falls Township has no outstanding bonded debt.

TOWNSHIP OF FALLS
Legal Debt Margin Information
Last Ten Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 50,041,011	\$ 53,255,417	\$ 54,681,043	\$ 55,125,538	\$ 54,843,196	\$ 60,533,222	\$ 69,543,568	\$ 77,510,227	\$ 77,955,169	\$ 75,861,433
Total Net Debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 50,041,011</u>	<u>\$ 53,255,417</u>	<u>\$ 54,681,043</u>	<u>\$ 55,125,538</u>	<u>\$ 54,843,196</u>	<u>\$ 60,533,222</u>	<u>\$ 69,543,568</u>	<u>\$ 77,510,227</u>	<u>\$ 77,955,169</u>	<u>\$ 75,861,433</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>

Legal Debt Margin Calculation for Year 2021

Borrowing Base Revenues: (a)		
	2019	\$ 32,081,141
	2020	29,461,280
	2021	29,491,298
		<u>\$ 91,033,719</u>
Average Borrowing Base Revenues:		\$ 30,344,573
Debt Limit Percentage	X	<u>250.00%</u>
Debt Limit		\$ 75,861,433
Less: Total Amount Of Debt Applicable to Debt Limit (b)		<u>-</u>
		<u>\$ 75,861,433</u>

(a) Borrowing Base revenues represent total revenues less governmental grants received for a specific purpose and enterprise fund revenues which are pledged for specific self-liquidating debt, interest on monies in sinking funds, grants and gifts for specified projects, proceeds from the disposition of capital assets and other non-recurring items not considered income under U.S. generally accepted accounting principles.

(b) Bonds and Notes Payable, less Sinking Fund credits and self liquidating debt.

Source: Falls Township records

TOWNSHIP OF FALLS
 Revenue Bond Coverage
 Water/Sewer Funds
 Last Ten Years

<u>Year</u>	<u>Gross Revenues (a)</u>	<u>Operating Expenses (b)</u>	<u>Net Revenues</u>		<u>Coverage</u>
			<u>(Unavailable) for Debt Service</u>	<u>Debt Requirements</u>	
2012	\$ -	\$ -	\$ -	\$ -	0.00
2013	-	-	-	-	0.00
2014	-	-	-	-	0.00
2015	-	-	-	-	0.00
2016	-	-	-	-	0.00
2017	-	-	-	-	0.00
2018	-	-	-	-	0.00
2019	-	-	-	-	0.00
2020	-	-	-	-	0.00
2021	-	-	-	-	0.00

(a) Total revenues including interest income.

(b) Total expenses excluding depreciation & debt payments.

TOWNSHIP OF FALLS
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population (a)</u>	<u>Per Capita Income</u>	<u>School District Enrollment (b)</u>	<u>Number of Dropouts (b)</u>	<u>Dropouts as % of Enrollment</u>	<u>Unemployment Rate (c)</u>
2012	34,300	N/A	10,605	30	0.28%	7.2%
2013	34,300	N/A	10,673	30	0.28%	5.4%
2014	34,367	N/A	10,457	29	0.28%	4.3%
2015	33,901	N/A	10,477	28	0.27%	3.6%
2016	33,714	N/A	10,340	29	0.28%	3.9%
2017	33,969	N/A	10,530	18	0.17%	3.8%
2018	33,769	N/A	10,342	12	0.12%	3.2%
2019	33,520	N/A	9,990	18	0.18%	4.2%
2020	34,716	N/A	9,907	9	0.09%	5.4%
2021	34,716	N/A	9,106	6	0.07%	5.9%

Data Sources:

(a) Population Estimates Branch of the U.S. Census

(b) Pennsbury School District, as of 6/30/2021

(c) Homefacts.com, Township of Falls, Bucks County, PA

N/A Data not available

TOWNSHIP OF FALLS
Principal Employers
Current Year and Nine Years Ago

Employer	Description	2021			2012		
		Employees	Rank	Percentage of Total Township Employment	Employees	Rank	Percentage of Total Township Employment
Pennsbury School District	Public Education	992	1	3.22%	959	2	3.72%
Aria Health - Bucks County Campus	Hospital	804	2	2.61%	978	1	3.79%
Amazon.com Services	Warehouse	665	3	2.16%			
Kmart Distribution Center	Warehouse Distribution	213	4	0.69%	321	4	1.24%
Home Depot	Retail Store	208	5	0.68%	169	8	0.66%
Univar	Chemicals	195	6	0.63%	166	9	0.64%
Gelest	Chemicals	192	7	0.62%			
Peruzzi	Auto Sales	175	8	0.57%	193	6	0.75%
Giant Supermarkets	Grocery Store	174	9	0.57%	143	10	0.55%
U-Haul Company of PA	Manufacturing	168	10	0.55%			
Eckerd/Rite Aid	Warehouse/Retail Store				535	3	2.07%
Waste Management	Waste Collector				174	7	0.67%
Gamesa Wind	Alternative Energy				213	5	0.83%
Total		3,786		12.30%	3,851		14.92%

Source: Respective Companies and Township Records

FALLS TOWNSHIP
 FULL TIME EQUIVALENT TOWNSHIP EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Government	16	16	16	16	16	18	18	18	15	14
Public Safety										
Police										
Officers	51	51	51	51	52	51	52	50	51	52
Civilians	7	7	7	7	7	7	6	6	7	7
Fire										
Civilians	4	4	4	4	4	4	4	4	5	5
Highway and Streets										
Maintenance	16	16	16	16	17	17	16	17	15	16
Sanitation										
Culture and Recreation	3	3	4	3	2	2	2	2	2	2
Water	0	0	0	0	0	0	0	0	0	0
Sewer	0	0	0	0	0	0	0	0	0	0
Totals	<u>97</u>	<u>97</u>	<u>98</u>	<u>97</u>	<u>98</u>	<u>99</u>	<u>98</u>	<u>97</u>	<u>95</u>	<u>96</u>

Sources: Township documents

FALLS TOWNSHIP
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Police										
Arrests	847	873	912	763	1,003	835	944	777	788	996
Parking Violations	125	192	106	70	219	178	246	209	159	231
Traffic Violations	1,403	1,413	1,958	1,967	3,423	3,445	2,806	1,409	1,519	2,058
Animal Control Investigations	272	272	255	224	320	348	469	408	351	32
Fire										
Number of calls answered	1,494	1,416	1,475	1,521	1,470	1,578	1,569	1,554	1,517	1,663
License and Inspection										
Business Licenses	1,481	1,363	1,764	1,404	1,902	1,799	2,122	1,980	2,105	1,709
Building Permits	564	645	571	777	553	522	453	524	366	523
Electrical Permits	430	445	495	459	596	533	603	674	553	508
Highways and Streets										
Road Reconstruction (lineal feet)	11,939	11,596	-	-	-	1,300	3,568	2,955	6,145	7,000
Culture and Recreation										
Community Park Pavillion Rentals	103	87	84	93	90	84	116	119	76	179

Sources: Various government departments

FALLS TOWNSHIP
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicle Units	55	60	59	57	57	56	54	45	41	41
Fire Stations	3	3	3	3	3	3	3	3	3	3
Highways and Streets										
Streets (miles)	86.75	86.75	86.75	86.75	86.75	86.75	86.75	86.75	86.75	86.75
Streetlights - R	2465	2465	2465	2465	2465	2465	2465	2465	2465	2465
Streetlights - H	83	83	83	83	83	83	83	83	83	83
Traffic Signals	34	34	34	34	34	34	34	34	34	34
Culture and Recreation										
Parks Acreage	413.33	413.33	413.33	413.33	413.33	413.33	413.33	413.33	413.33	413.33
Parks	16	16	16	16	16	16	16	16	16	16
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Water										
Water Mains	3290	3290	3290	3290	3290	3290	3290	3290	3290	3290
Sewer										
Sanitary Sewers	-	-	-	-	-	-	-	-	-	-

Sources: Various government departments

Note: Indicators not available for General Government Function

TOWNSHIP OF FALLS
Schedule of Insurance
As of December 31, 2021

<u>Name of Company</u>	<u>Policy Number</u>	<u>Policy Period</u>		<u>Type of Coverage</u>	<u>Liability</u>		<u>Annual</u>
		<u>From</u>	<u>To</u>		<u>Limits</u>	<u>Deductible</u>	<u>Premium</u>
Delaware Valley Workers' Compensation Trust (DVWCT)	WC38928-2042	1/1/2021	1/1/2022	Workers Compensation	Statutory	N/A	\$ 347,882
State Workers' Insurance Fund (SWIF)	05921852	1/1/2021	1/1/2022	Volunteer Fire Companies	\$ 1,000,000	N/A	53,597
Traveler's	107301330	6/19/2021	6/19/2022	Public Official Bond for Manager	\$ 2,000,000	N/A	\$ 3,969
Fidelity & Deposit	POB08927696R20	5/1/2021	5/1/2022	Public Official Bond for Finance Dir	2,000,000	N/A	2,619
Fidelity & Deposit	POB09107657R20	1/1/2021	1/1/2022	Public Official Bond for Sec/Treas	2,000,000	N/A	2,619
National Union Fire Ins Co	SRG9142988/2979/2980	1/11/2021	1/11/2022	Volunteer Accident for Vol Fire Cos.	\$ 250,000	N/A	\$ 1,898
	SRG9147838	10/24/2021	10/24/2022	Blanket Accident for Volunteers	250,000	N/A	594
	SRG9141599	1/1/2021	1/1/2022	Volunteer Accident for LFH Rescue	250,000	N/A	1,368
Argonaut	PE-4640687-00	6/18/2021	6/18/2022	Property	\$ 25,536,552	\$ 5,000	\$ 25,186
				General Liability	\$1M occ / \$2M agg	N/A	34,307
				Employee Benefits	\$1M occ / \$3M agg	1,000	included
				Employment Practices Liability	1,000,000	10,000	47,322
				Crime	250,000	1,000	891
				Automobile	1,000,000	1,000	134,501
				Umbrella	10,000,000	N/A	43,173
				Public Officials Liability	1,000,000	10,000	9,911
				Law Enforcement Liability	1,000,000	10,000	33,693
				Inland Marine	8,193,520	1,000	8,914
				Street Light/Misc Property	6,615,400	500	included
				Earthquake/Flood	1,000,000	50,000	included
				Animal Coverage	\$25,000 per dog	1,000	included
BCS Insurance	RPS-P-0930474M	6/18/2021	6/18/2022	Cyber Liability / Computers	\$ 3,000,000	\$ 10,000	\$ 14,590
Crum & Forster	PLL-108219	6/18/2021	6/18/2022	Pollution	\$ 1,000,000	\$ 10,000	\$ 4,370
Hartford Insurance Co	02-GTA-101282	12/14/2021	12/14/2022	Killed in Service/Act 30/Life &AD&D	\$ 500,000	N/A	\$ 10,839
Lloyd's of London / WNC Ins Svc	VCFM00003744-05	6/18/2021	6/18/2022	Flood - Millcreek Sports Complex	\$ 176,721	\$ 2,000	\$ 2,148
	FLEX3709011042-01	2/11/2021	2/11/2022	Excess Flood-282 Trenton Rd	500,000	N/A	2,878
Philadelphia Indemnity	99058480162017	10/10/2021	10/10/2022	National Flood-Concession-Millcreek	\$ 176,000	\$ 1,500	\$ 877
	99058480152017	10/10/2021	10/10/2022	National Flood-Kiosk-Pennsbury	70,400	1,000	574
Total premium							\$ 788,720

Source: Falls Township records

TOWNSHIP OF FALLS
Miscellaneous Statistics
December 31, 2021

Area: 26.516 sq. miles

Date of Incorporation: July 27, 1692

Form of Government: Second Class Township

Governing Body: Board of Supervisors

Population:

1890 -	2,463
1900 -	1,886
1910 -	1,851
1920 -	1,788
1930 -	2,004
1940 -	2,364
1950 -	3,540
1960 -	29,082
1970 -	35,850
1980 -	36,083
1990 -	34,997
2000 -	34,865
2010 -	34,300
2020 -	34,716

Median Age:

1980 -	28.8
1990 -	33.6
2000 -	36.4
2010 -	39.1
2020 -	37.6

2020 Census Profile:

Race / Ethnicity

85.8%	- White alone
7.1%	- Black or African American alone
0.0%	- American Indian and Alaskan Native alone
3.9%	- Asian alone
0.0%	- Native Hawaiian and Other Pacific Islander alone
1.7%	- Two or More Races
5.9%	- Hispanic or Latino (of any race)
81.7%	- White alone, not Hispanic or Latino

Current Statistics:

Housing

12,475	- Total Housing Units (2016-2020 ACS)
\$248,500	- Median Home Price (2016-2020 ACS)
\$1,177	- Median Rent (2016-2020 ACS)

TOWNSHIP OF FALLS
Miscellaneous Statistics
December 31, 2021

Park & Recreation Facilities:

- 1 Public Swimming Pool
- 16 Parks: 8 with playgrounds; others with baseball-softball fields, outdoor basketball and tennis courts, and one Challenger Field
- 1 Boat Ramp (access to Delaware River)
- 1 County Park - Lake, Pool, Golf Course
- 1 State Park

Parks & Recreation:

Acreage
323.82 acres Township Parks
138.00 acres Greenbelts / Open Space
231.09 acres County / Lake, Pool
43.00 acres State Park

Cultural & Historical Facilities:

Township - Three Arches
State - Pennsbury Manor

Street System:

86.75 Local Miles
45.60 State Miles

Highways:

U.S. Route #1
Route #13
East & West Lincoln Highway

Number of Street Lights:
(All Township Owned)

2,465 Residential
83 Highway

Sanitary Sewage:

308,904 L.F. Mains (a)
Maximum Average Daily Treatment 2.406 MGD

Water:

311,162 L.F. Mains (a)
Maximum Average Daily Treatment 2.85 MGD

(a) Source: Township of Falls Authority

Education:

Pennsbury School District
10 Elementary Schools
3 Middle Schools
1 High Schools (East & West Campus)
9,106 Students

Libraries:

Fallsington Library

TOWNSHIP OF FALLS
Miscellaneous Statistics
December 31, 2021

<u>Apartment Complexes:</u>	<u>Name</u>	<u># of Units</u>
	Village of Pennbrook	722
	Alexandria	201
	Castle Club	158
	Commons of Fallsington	477
	Dorilyn Terrace	158
	Wellington Woods	253
	Lakeview Terrace	288
	Newport Village	179
	Rock Springs	169
	Pennsbury Woods	110
	Aspen Falls	112
	Nolan Park	80
	Woodcrest Village	60
 <u>Banks:</u>	Citizens Bank	
	TD Bank	
	Spirit Financial Credit Union	
 <u>Rail:</u>	No rail stations	
 <u>Bus:</u>	No terminal	
 <u>Airfield:</u>	No airfield	
 <u>Public Utilities:</u>	Verizon (Phone)	
	PECO Energy (Electric / Gas)	
	Township of Falls Authority (Water)	
	Township of Falls Authority (Sewer)	
	Morrisville Borough Authority (Water)	
	Morrisville Borough Authority (Sewer)	
	Lower Bucks County Joint Municipal Authority (Water and Sewer)	
	Bucks County Water and Sewer Authority (Sewer)	
	PA American Company (Water)	
 <u>Newspapers:</u>	The Bucks County Courier Times	
	The Philadelphia Inquirer	
	The Times of Trenton (Trenton, NJ)	
	The Trentonian (Trenton, NJ)	
	The Lower Bucks Leader	

TOWNSHIP OF FALLS
Miscellaneous Statistics
December 31, 2021

Television:

KYW - Channel 3 - Philadelphia
WPHL - Channel 17 - Philadelphia
WHYY - Channel 12 - Philadelphia
WTXF - Channel 29 - Philadelphia
WPVI - Channel 6 - Philadelphia
WCAU - Channel 10 - Bala Cynwyd
Comcast Cable Company (Cable Provider)
Verizon FIOS Service (Fiber Optic Network)
Direct TV (Satellite)
Dish Network (Satellite)
Channel 22 - Government Access Channel - Comcast
Channel 40 - Government Access Channel - Verizon FIOS

Churches:

13

Hospitals:

1 Jefferson Health - Bucks County Campus

Senior Housing:

Avenrowe - 55 & over Community
Galilee Pavilion - Assisted Living
Galilee Village Estates - Independent Living
St. Joseph's Court - 55 & over Community

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