

**Plymouth Township, Pennsylvania**

**For the Year Ended December 31, 2020**

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## Independent Auditor's Report

To the Council Members of Plymouth Township  
Plymouth Meeting, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Plymouth Township, Pennsylvania, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

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## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Plymouth Township, Pennsylvania, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund and the Capital Reserve Fund, Highway Aid Fund, and Health and Welfare Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the supplemental pension and OPEB schedules on pages 72 to 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Plymouth Township, Pennsylvania's basic financial statements. The other supplementary information listed in the index is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Barsz Gowie Amon & Fultz, LLC*

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

Our discussion and analysis of Plymouth Township's financial performance provides an overview of the Township's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the Township's financial statements, which begin on page 13.

## **FINANCIAL HIGHLIGHTS**

- The Township continues to report adequate *budgetary fund balances* for all its governmental funds and business-type funds.
- The Township is reporting a General Fund *unassigned budgetary fund balance* of \$11.2 million.
- The Township has no outstanding bonded debt.
- Total net position of governmental activities increased by \$4,311,083 during fiscal 2020. This is principally explained by: 1) depreciation expense recognized for accounting purposes exceeded capital expenditures by \$256,808; 2) a decrease in the liability for post-retirement health care and pensions in the amount of \$6,687,601; 3) a decrease in Governmental fund balances of \$2,161,846 reflecting that expenditures exceeded revenue during 2020.

## **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 13 and 14) provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements start on page 15. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's most significant funds. The remaining statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside of the government.

### **Reporting the Township as a Whole**

#### The Statement of Net Position and the Statement of Activities

Our analysis of the Township as a whole begins on page 5. One of the most important questions asked about the Township's finances is, "Is the Township as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Township's net position and changes in net position. You can think of the Township's net position – the difference between assets and deferred outflows and resources, and liabilities and deferred inflows of resources – as one way to measure the Township's financial health, or financial position. Over time, increases or decreases in the Township's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the Township's tax base and the condition of the Township's infrastructure, to assess the overall health of the Township.

In the Statement of Net Position and the Statement of Activities, we divide the Township into three kinds of activities:

- Governmental activities – Most of the Township's basic services are reported here, including general administration, public safety, public works, and parks and recreation. Property taxes, the earned income tax, and business taxes finance most of these activities.
- Business-type activities – The Township charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Township's sewer system and Community Center are reported here.
- Component units – The Township includes three separate legal entities in its report, Harmonville Fire Company, Plymouth Fire Company, and the Plymouth Township Parks Recreation and Facilities Fund (a 501(c)(3) nonprofit organization). Although legally separate, these component units are important because the Township is financially accountable for them. Complete financial statements of Plymouth Township Parks, Recreation and Facilities Fund can be obtained from the Township. Complete financial statements of the fire companies can be obtained from their administrative offices.

## **Reporting the Township's Most Significant Funds**

### Fund Financial Statements

Our analysis of the Township's major funds begins on page 9. The fund financial statements begin on page 15 and provide detailed information about the most significant funds – not the Township as a whole. Plymouth Township Council establishes funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities. The Township's two kinds of funds – governmental and proprietary – use different accounting approaches.

- Governmental funds – Most of the Township's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation immediately following the fund financial statements.

- Proprietary funds – When the Township charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

**The Township as Trustee**

Reporting the Township's Fiduciary Responsibilities

The Township is the trustee, or fiduciary, for its employees' pension funds, post-retirement healthcare fund, and the deferred compensation fund. Because of trust agreements and legal restrictions, these funds can only be used for the designated beneficiaries. All of the Township's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 27 and 28. We exclude these activities from the Township's other financial statements because the Township cannot use these assets to finance its operations. The Township is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**THE TOWNSHIP AS A WHOLE**

Tables 1 and 2 that follow present a summarization of Plymouth Township's Net Position and Changes in Net Position for fiscal year 2020.



PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

**Table 1**  
**Net Position (in millions)**

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current Assets	\$21.3	\$23.9	\$6.0	\$5.6	\$27.3	\$29.5
Noncurrent Assets	30.7	23.3	13.3	12.5	44.0	35.8
Total Assets	<u>52.0</u>	<u>47.2</u>	<u>19.3</u>	<u>18.1</u>	<u>71.3</u>	<u>65.3</u>
Deferred Outflows of Resources	3.4	2.9	0.0	0.0	3.4	2.9
Total Assets and Deferred Outflows	<u>55.4</u>	<u>50.1</u>	<u>19.3</u>	<u>18.1</u>	<u>74.7</u>	<u>68.2</u>
Current Liabilities	0.6	1.1	1.0	0.5	1.6	1.6
Noncurrent Liabilities	2.1	6.9	0.0	0.0	2.1	6.9
Total Liabilities	<u>2.7</u>	<u>8.0</u>	<u>1.0</u>	<u>0.5</u>	<u>3.7</u>	<u>8.5</u>
Deferred Inflows of Resources	30.3	24.0	0.0	0.0	30.3	24.0
Net Position:						
Invested in Capital Assets, Net of Debt	21.0	21.1	13.3	12.5	34.3	33.6
Restricted	0.0	0.0	0.0	2.9	0.0	2.9
Unrestricted	1.4	-3.0	5.0	2.2	6.4	-0.8
Total Net Position	<u>22.4</u>	<u>18.1</u>	<u>18.3</u>	<u>17.6</u>	<u>40.7</u>	<u>35.7</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$55.4</u>	<u>\$50.1</u>	<u>\$19.3</u>	<u>\$18.1</u>	<u>\$74.7</u>	<u>\$68.2</u>

The Township has a significant investment in *capital assets* for both its governmental and business-type activities. Also, the Township reports the balance of *unrestricted net position* – the portion of resources that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. For its business-type activities, *unrestricted net position* amounts to \$5.04 million or 110% of the annual operating expenses for those activities. For governmental activities, the Township is reporting *unrestricted net position* of \$1.44 million or 7% of the annual operating expenses for those activities.

PLYMOUTH TOWNSHIP  
Management's Discussion and Analysis

**Table 2**  
**Changes in Net Position**  
(actual dollars)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 3,349,981	\$ 3,780,171	\$ 3,500,887	\$ 4,891,305	\$ 6,850,868	\$ 8,671,476
Operating grants	978,912	1,205,086	-	-	978,912	1,205,086
Capital grants	242,849	100,000	-	-	242,849	100,000
General revenues:						
Earned income tax	7,142,235	7,322,192	-	-	7,142,235	7,322,192
Real estate tax	3,970,915	3,705,799	-	-	3,970,915	3,705,799
Business taxes	7,551,303	7,801,139	-	-	7,551,303	7,801,139
Real estate transfer tax	781,363	788,757	-	-	781,363	788,757
Local services tax	1,060,093	1,185,295	-	-	1,060,093	1,185,295
Solid waste disposal tax	1,280,675	1,275,334	-	-	1,280,675	1,275,334
Other taxes	42,491	62,200	-	-	42,491	62,200
Unrestricted grants	32,316	-	-	-	32,316	-
Other general revenues	369,565	623,125	49,634	120,677	419,199	743,802
Total revenues	<u>26,802,698</u>	<u>27,849,098</u>	<u>3,550,521</u>	<u>5,011,982</u>	<u>30,353,219</u>	<u>32,861,080</u>
<b>Program expenses</b>						
General government	2,662,778	3,747,887	-	-	2,662,778	3,747,887
Public safety	10,742,344	10,015,019	-	-	10,742,344	10,015,019
Public works	4,843,918	4,400,235	-	-	4,843,918	4,400,235
Culture and recreation	1,308,278	1,389,367	-	-	1,308,278	1,389,367
Employee Benefits	1,147,913	5,522,057	-	-	1,147,913	5,522,057
Interest on debt	-	-	-	-	-	-
Sewer	-	-	2,552,201	2,373,891	2,552,201	2,373,891
Ply Community Center	-	-	2,031,729	2,912,536	2,031,729	2,912,536
Total expenses	<u>20,705,231</u>	<u>25,074,565</u>	<u>4,583,930</u>	<u>5,286,427</u>	<u>25,289,161</u>	<u>30,360,992</u>
Excess before transfers	6,097,467	2,774,533	(1,033,409)	(274,445)	5,064,058	2,500,088
Transfers	(1,786,384)	(863,740)	1,786,384	863,740	-	-
<b>Increase (decrease) in net position</b>	<u><b>4,311,083</b></u>	<u><b>1,910,793</b></u>	<u><b>752,975</b></u>	<u><b>589,295</b></u>	<u><b>5,064,058</b></u>	<u><b>2,500,088</b></u>

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

**Governmental Activities**

For governmental activities, there was a \$4,311,083 increase in net position during fiscal 2020. This is primarily attributable to the decrease in liabilities for post-retirement health care and pension costs in the amount of \$6,687,601.

The cost of all governmental activities this year was \$20.7 million. However, as shown in the Statement of Activities on page 14, the amount our taxpayers ultimately financed for these activities with Township resources was \$16.1 million because some of the cost was paid by those who directly benefited from the programs (\$3.3 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$1.2 million). Overall, the Township's governmental program revenues, including intergovernmental aid and fees for services, amounted to \$4.6 million in fiscal 2020. The Township paid for the remaining 'public benefit' portion of governmental activities through various taxes and other revenue, such as interest and miscellaneous fees.

Table 3 presents the cost of each of the Township's largest programs as well as each program's *net cost* (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Township's taxpayers by each of these functions.

**Table 3**  
**Governmental Activities**  
**(actual dollars)**

	<b>Total Cost of Services</b>		<b>Net Cost of Services</b>	
	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
General government	\$2,662,778	\$3,747,887	\$1,209,510	\$2,470,377
Public safety	10,742,344	10,015,019	9,435,261	8,422,440
Public works	4,843,918	4,400,235	3,893,930	3,286,570
Culture and recreation	1,308,278	1,389,367	1,239,612	1,091,346
Employee benefits	1,147,913	5,522,057	355,176	4,718,575
<b>Totals</b>	<b><u>\$20,705,231</u></b>	<b><u>\$25,074,565</u></b>	<b><u>\$16,133,489</u></b>	<b><u>\$19,989,308</u></b>

**Business Activities**

For business-type activities, net position increased during fiscal 2020 by \$752,975. The financial objective of the Township's business activities is that services are priced to cover costs. Overall, business-type activities generated revenue of approximately \$3.6 million and expenses of approximately \$4.6 million. The operating income of the sewer activities was \$278,169. The operating loss of the Community Center was \$1,361,212. Net operating transfers of \$1,786,684 were made to the Community Center to compensate for the operating loss. There was interest income earned that created additional revenue in the amount of \$49,634.

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

**THE TOWNSHIP'S FUNDS**

As the Township completed the fiscal year, its governmental funds (as presented in the balance sheet on page 15) reported a combined fund balance of \$20.2 million which is a decrease of \$2,161,846 from last year's total of \$22.4 million. As noted on page 17, the General Fund, Capital Reserve Fund, Highway Aid Fund and Health and Welfare Fund reported decreases in fund balance of \$79,650, \$1,878,068, \$87,223, and \$116,905, respectively.

**General Fund Budgetary Highlights**

The 2020 budget, as adopted, did not require any subsequent changes by Township Council. The General Fund Budgetary Comparison Statement on page 19 reflects that the Township ended fiscal 2020 with a budgetary fund balance of approximately \$11.3 million of which \$9.1 million was in the form of cash or liquid investments (page 15). Taxes Receivable of \$2.8 million make up most of the remaining balance of General Fund assets.

There were some significant variations between budgeted and actual amounts for 2020. For the purpose of discussing budget variances, 'significant' variations will be considered those where the actual expenditure or revenue for a line item differs from the budget by \$100,000 or more.

Overall, revenue was worse than projected in several areas resulting in an overall negative variance of \$661,838. There were negative variances in three categories of tax revenue due almost entirely to the negative financial effects of COVID which depressed earned income and business taxes collected by the Township. 'Earned Income Tax' was \$329,528 less than budgeted, 'Mercantile Tax' was \$109,651 less than budgeted and 'Local Services Tax' was \$141,675 less than budgeted. The remaining negative variance \$118,057 occurred in 'Charges for Services'. Due to COVID, recreation programs which charged fees to participants were cancelled resulting in the loss of revenue generated by those programs. There were some other positive and negative revenue variances, none of which exceeded \$100,000.

Overall, actual expenditures in 2020 for the General Fund were \$43,415 less than the original budget. There were both positive and negative variances in individual budget categories. Under 'Police Protection', expenditures were \$384,704 less than budgeted due to temporarily unfilled positions and underspending in numerous other budget categories. Under 'Building', expenditures were \$438,768 more than budgeted due to higher than anticipated building permit activity requiring greater expenditures for construction inspections. Under 'Parks and Recreation' expenditures were \$272,063 less than budgeted as a result of employee layoffs necessitated by COVID. Under 'Employee Benefits' expenditures were \$128,962 less than budgeted due to health care costs charged directly to the Community Center Fund and not paid from the General Fund. 'Transfers to Other Funds' were \$620,923 more than budgeted because of a transfer to the Community Center Fund. As a result of COVID, the Community Center was forced to close for an extended period of time resulting in a significant loss of revenue. An additional transfer was made from the General Fund to the Community Center Fund to cover this COVID-related loss of revenue. There were some other positive and negative expenditure variances, none of which exceeded \$100,000.

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2020, the Township had \$34.3 million invested in a broad range of capital assets including police and public works equipment, municipal buildings and land, park facilities, roads, bridges, sanitary sewers, and storm sewers. This 2020 net asset amount represents a net increase of \$522,756 or 1.5% compared to the previous year. The increase resulted primarily from the construction of a new roof on the Community Center building.

**Table 4**  
**Capital Assets at Year-end**  
**(Net of depreciation, in millions)**

	Governmental Activities		Business-type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Construction in progress	0.5	0.0	0.0	0.0	0.5	0.0
Land	5.0	5.0	0.9	0.9	5.9	5.9
Buildings	1.0	1.1	5.9	6.2	6.9	7.3
Improvements	4.4	4.5	3.1	2.3	7.5	6.8
Machinery and equipment	2.5	2.2	0.2	0.2	2.7	2.4
Infrastructure	7.6	8.5	3.2	2.9	10.8	11.4
<b>Totals</b>	<b>\$21.0</b>	<b>\$21.3</b>	<b>\$13.3</b>	<b>\$12.5</b>	<b>\$34.3</b>	<b>\$33.8</b>

The Township expended \$2,997,195 to acquire and construct capital assets during 2020. Capital expenditures were made to purchase police and public works vehicles, to construct and improve recreational facilities, for intersection improvements and street paving, and for replacement of sanitary sewer infrastructure.

The Township's fiscal 2021 capital budget calls for \$4.0 million in capital expenditures. The bulk of the expenditures will be for intersection improvements, upgrades to Township buildings and mechanical systems, sanitary sewer projects, street paving, and storm water projects. Subsequent to the adoption of the 2021 budget, the Township decided to undertake a complete rehabilitation of the Township Building with an approximate cost of \$18 million. Bonds of \$9.1 million were issued in June 2021. The Capital Reserve budget for 2021 will be amended accordingly once actual construction costs are known. More detailed information about the Township's capital assets is presented in the Notes to the Basic Financial Statements.

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

**Debt and Postemployment Benefit Obligations**

At December 31, 2020, the Township had no outstanding bonded debt. The last remaining bond issue was redeemed in full during fiscal year 2004.

The Township has a long-term liability for accrued employee leave time amounting to \$374,310.

The Township has recorded a liability in the Statement of Net Position for other postemployment benefits in the amount of \$1,729,692. This is an actuarially calculated number representing the difference between the Other Post Employment Benefit (OPEB) Liability and the assets dedicated to fund that liability. As of December 31, 2020, the total accrued liability for OPEB was \$32,437,318 and the market value of assets in the Post-Retirement Health Care Trust Fund was \$30,707,626. In 2020, the Township made a contribution of \$805,288 toward the cost of postemployment healthcare benefits for retirees.

The Township has not recorded any liability in the Statement of Net Position for unfunded pension liabilities as the pension plans are fully funded per the 2020 actuarial reports.

More detailed information about the Township's long-term liabilities is presented in the Notes to the Basic Financial Statements.

**ECONOMIC FACTORS AND THE 2021 BUDGETS AND RATES**

The Township's elected and appointed officials considered many factors when setting the fiscal year 2021 budget. One of those factors was the extremely harmful effect that the Covid 19 pandemic was having on the national and local economies. COVID 19 negatively impacted several sources of Township tax revenue. Inflation was expected to be in the 2.0% to 2.5% range and interest rates were expected to remain at historically low levels during 2021.

These indicators were taken into account when adopting the General Fund budget for 2021. Overall, General Fund revenue was estimated at \$24.3 million, which represents a \$2,237,922 decrease from the amount budgeted for 2020. Earned Income Tax collections were expected to decline by \$690,000 in 2021. Together, Business Privilege and Mercantile taxes were expected to decline by \$1.4 million in 2021 as compared to the amounts budgeted in 2020. The Township expects to earn minimal interest income on its short-term and medium-term investments in 2021 due to historically low interest rates and the amount budgeted for Interest Earnings for 2021 reflects this. Revenue from all other revenue sources for 2021 is expected to be roughly the same as amounts budgeted in 2020. Subsequent to the passage of the 2021 budget, the federal government provided approximately \$900,000 to Plymouth Township in an ARP grant to mitigate Covid's financial impacts on local municipalities.

Budgeted General Fund expenditures for 2021 increased by only \$43,624 from the amount budgeted in the prior year. The increase is the result of contractual salary increases for employees which were partially offset by expenditure cuts made elsewhere in the budget. The Township has added no major new programs or initiatives to the 2021 budget.

PLYMOUTH TOWNSHIP  
*Management's Discussion and Analysis*

As for the Township's business-type activities, we expect that the 2021 results will be consistent with the prior years. For the Sewer Fund, it is anticipated that there may be a moderate rate increase in 2021 to ensure the rate structure is sufficient to cover all operating and capital costs. For the Community Center Fund, the rate structure for member passes can be revised should revenue continue to fall short of expenditures. The Community Center also periodically revises its services and programs to generate additional revenue.

**CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Township's finances and to show the Township's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Director, Plymouth Township, 700 Belvoir Road, Plymouth Meeting, PA 19462 or by email, [tcreelman@plymouthtownship.org](mailto:tcreelman@plymouthtownship.org).

**Plymouth Township**  
**Statement of Net Position**  
**December 31, 2020**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<u>Assets</u>				
<u>Current Assets</u>				
Cash and cash equivalents	\$ 893,968	\$ 860,363	\$ 1,754,331	\$ 1,716,879
Equity in pooled cash and investments	17,224,636	4,282,851	21,507,487	21,166
Investments	-	-	-	2,093,439
Accrued interest	59,783	10,900	70,683	-
Receivables from other governments	75,000	-	75,000	-
Taxes receivable	2,773,237	-	2,773,237	-
Other receivables	245,707	843,908	1,089,615	-
Other current assets	24,539	-	24,539	-
<u>Total Current Assets</u>	<u>21,296,870</u>	<u>5,998,022</u>	<u>27,294,892</u>	<u>3,831,484</u>
<u>Noncurrent Assets</u>				
<u>Capital Assets</u>				
Land and improvements (non-depreciable)	4,997,032	930,002	5,927,034	140,001
Construction in progress (non-depreciable)	530,175	-	530,175	-
Other capital assets, net of depreciation	15,479,019	12,361,353	27,840,372	3,927,401
<u>Total Capital Assets</u>	<u>21,006,226</u>	<u>13,291,355</u>	<u>34,297,581</u>	<u>4,067,402</u>
Net pension asset	9,709,168	-	9,709,168	-
<u>Total Noncurrent Assets</u>	<u>30,715,394</u>	<u>13,291,355</u>	<u>44,006,749</u>	<u>4,067,402</u>
<u>Total Assets</u>	<u>52,012,264</u>	<u>19,289,377</u>	<u>71,301,641</u>	<u>7,898,886</u>
<u>Deferred Outflows of Resources</u>				
Pensions	2,027,653	-	2,027,653	-
Other post-employment benefits	1,411,417	-	1,411,417	-
<u>Total Deferred Outflows of Resources</u>	<u>3,439,070</u>	<u>-</u>	<u>3,439,070</u>	<u>-</u>
<u>Total Assets and Deferred Outflows of Resources</u>	<u>\$ 55,451,334</u>	<u>\$ 19,289,377</u>	<u>\$ 74,740,711</u>	<u>\$ 7,898,886</u>
<u>Liabilities</u>				
<u>Current Liabilities</u>				
Deficit in equity in pooled cash and investments	\$ -	\$ 556,553	\$ 556,553	\$ -
Accounts payable and accrued expenses	546,812	378,793	925,605	-
Payroll withholdings	66,782	-	66,782	15,353
Unearned revenue	25,000	26,000	51,000	-
Promissory notes payable	-	-	-	36,683
<u>Total Current Liabilities</u>	<u>638,594</u>	<u>961,346</u>	<u>1,599,940</u>	<u>52,036</u>
<u>Noncurrent Liabilities</u>				
Promissory notes payable	-	-	-	539,705
Liability for compensated absences	374,310	-	374,310	-
Net other post-employment benefits liability	1,729,692	-	1,729,692	-
<u>Total noncurrent liabilities</u>	<u>2,104,002</u>	<u>-</u>	<u>2,104,002</u>	<u>539,705</u>
<u>Total liabilities</u>	<u>2,742,596</u>	<u>961,346</u>	<u>3,703,942</u>	<u>591,741</u>
<u>Deferred Inflows of Resources</u>				
Pensions	9,765,466	-	9,765,466	-
Other post-employment benefits	20,500,422	-	20,500,422	-
<u>Total Deferred Inflows of Resources</u>	<u>30,265,888</u>	<u>-</u>	<u>30,265,888</u>	<u>-</u>
<u>Net Position</u>				
Invested in capital assets, net of related debt	21,006,226	13,291,355	34,297,581	3,491,014
Unrestricted	1,436,624	5,036,676	6,473,300	3,816,131
<u>Total Net Position</u>	<u>22,442,850</u>	<u>18,328,031</u>	<u>40,770,881</u>	<u>7,307,145</u>
<u>Total Liabilities, Deferred Inflows of Resources, and Net Position</u>	<u>\$ 55,451,334</u>	<u>\$ 19,289,377</u>	<u>\$ 74,740,711</u>	<u>\$ 7,898,886</u>

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



**Plymouth Township**  
**Statement of Activities**  
**For the Year Ended December 31, 2020**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	
<b>Primary Government</b>								
<b>Governmental Activities</b>								
General government	\$ 2,662,778	\$ 1,453,268	\$ -	\$ -	\$ (1,209,510)		\$ (1,209,510)	
Public safety	10,742,344	1,142,398	164,685	-	(9,435,261)		(9,435,261)	
Public works	4,843,918	685,649	21,490	242,849	(3,893,930)		(3,893,930)	
Culture and recreation	1,308,278	68,666	-	-	(1,239,612)		(1,239,612)	
Employee benefits	1,147,913	-	792,737	-	(355,176)		(355,176)	
<b>Total Governmental Activities</b>	<b>20,705,231</b>	<b>3,349,981</b>	<b>978,912</b>	<b>242,849</b>	<b>(16,133,489)</b>		<b>(16,133,489)</b>	
<b>Business-Type Activities</b>								
Sewer	2,552,201	2,830,370	-	-	-	\$ 278,169	278,169	
Greater Plymouth Community Center	2,031,729	670,517	-	-	-	(1,361,212)	(1,361,212)	
<b>Total Business-Type Activities</b>	<b>4,583,930</b>	<b>3,500,887</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,083,043)</b>	<b>(1,083,043)</b>	
<b>Total Primary Government</b>	<b>\$ 25,289,161</b>	<b>\$ 6,850,868</b>	<b>\$ 978,912</b>	<b>\$ 242,849</b>	<b>(16,133,489)</b>	<b>(1,083,043)</b>	<b>(17,216,532)</b>	
<b>Component Units</b>								
Fire companies	\$ 1,338,783	\$ 52,670	\$ 1,235,359	\$ -				\$ (50,754)
Non-profit entity	-	-	1,557	-				1,557
<b>Total Component Units</b>	<b>\$ 1,338,783</b>	<b>\$ 52,670</b>	<b>\$ 1,236,916</b>	<b>\$ -</b>				<b>(49,197)</b>
<b>General Revenues</b>								
<b>Taxes</b>								
Earned income tax					7,142,235	-	7,142,235	-
Real estate taxes					2,771,470	-	2,771,470	-
Fire services fee					1,199,445	-	1,199,445	-
Business privilege taxes					5,080,954	-	5,080,954	-
Mercantile taxes					2,470,349	-	2,470,349	-
Real estate transfer taxes					781,363	-	781,363	-
Local services tax					1,060,093	-	1,060,093	-
Solid waste disposal tax					1,280,675	-	1,280,675	-
Other taxes					42,491	-	42,491	-
Grants and contributions not restricted to specific programs					32,316	-	32,316	-
Unrestricted investment earnings					214,955	49,634	264,589	168,256
Miscellaneous					154,610	-	154,610	25,294
<b>Transfers</b>					<b>(1,786,384)</b>	<b>1,786,384</b>	<b>-</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>					<b>20,444,572</b>	<b>1,836,018</b>	<b>22,280,590</b>	<b>193,550</b>
<b>Change in Net Position</b>					<b>4,311,083</b>	<b>752,975</b>	<b>5,064,058</b>	<b>144,353</b>
<b>Net Position - Beginning of Year</b>					<b>18,131,767</b>	<b>17,575,056</b>	<b>35,706,823</b>	<b>7,162,792</b>
<b>Net Position - End of Year</b>					<b>\$ 22,442,850</b>	<b>\$ 18,328,031</b>	<b>\$ 40,770,881</b>	<b>\$ 7,307,145</b>

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

**Plymouth Township**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2020**

	General	Capital Reserve	Highway Aid	Health and Welfare	Total Governmental Funds
<b><u>Assets</u></b>					
Cash and cash equivalents	\$ 850,075	\$ 3,244	\$ 3,098	\$ 37,551	\$ 893,968
Equity in pooled cash and investments	8,244,466	7,724,722	244,917	1,010,531	17,224,636
Receivables from other governments		75,000	-	-	75,000
Taxes receivable	2,773,237	-	-	-	2,773,237
Other receivables	245,707	-	-	-	245,707
Other current assets		-	-	24,539	24,539
	<b>Total Assets</b>	<b>\$ 7,802,966</b>	<b>\$ 248,015</b>	<b>\$ 1,072,621</b>	<b>\$ 21,237,087</b>
<b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>					
<b><u>Liabilities</u></b>					
Accounts payable and accrued expenses	\$ 345,810	\$ 175,783	\$ 20,280	\$ 4,939	\$ 546,812
Payroll withholdings	66,782	-	-	-	66,782
Unearned revenue	-	25,000	-	-	25,000
	<b>Total Liabilities</b>	<b>200,783</b>	<b>20,280</b>	<b>4,939</b>	<b>638,594</b>
<b><u>Deferred Inflows of Resources</u></b>					
Deferred Tax Revenues	409,461	-	-	-	409,461
	<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>409,461</b>
<b><u>Fund Balances</u></b>					
Non-spendable	-	-	-	24,539	24,539
Restricted	-	4,739,119	227,735	-	4,966,854
Assigned	136,541	2,863,064	-	1,043,143	4,042,748
Unassigned	11,154,891	-	-	-	11,154,891
	<b>Total Fund Balances</b>	<b>7,602,183</b>	<b>227,735</b>	<b>1,067,682</b>	<b>20,189,032</b>
	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 7,802,966</b>	<b>\$ 248,015</b>	<b>\$ 1,072,621</b>	<b>\$ 21,237,087</b>

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

**Plymouth Township**  
**Balance Sheet**  
**Governmental Funds (Continued)**  
**December 31, 2020**

Reconciliation of the fund balances of governmental funds to net position of governmental activities

Total Fund Balances - Total Governmental Funds	\$ 20,189,032
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds, net of accumulated depreciation of \$570,861,883	21,006,226
Accrued interest income that is not available to pay liabilities of the current period does not represent available spendable financial resources and is, therefore, not reported in the funds	59,783
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences	(374,310)
Net other post-employment benefits liability, net of related deferred outflows and deferred inflows	(20,818,697)
Net pension liability, net of related deferred outflows and deferred inflows	1,971,355
Earned income tax revenue and local services tax revenue collected beyond 60 days of year-end are included in net position of governmental activities, but are not accrued as income in the funds	<u>409,461</u>
<u>Net Position of Governmental Activities</u>	<u>\$ 22,442,850</u>

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

**Plymouth Township**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2020**

	General	Capital Reserve	Highway Aid	Health and Welfare	Total Governmental Funds
<b><u>Revenues</u></b>					
Earned income tax	\$ 7,260,472	\$ -	\$ -	\$ -	\$ 7,260,472
Real estate taxes	2,771,470	-	-	-	2,771,470
Fire services fee	1,199,445	-	-	-	1,199,445
Business privilege taxes	5,080,954	-	-	-	5,080,954
Mercantile taxes	2,470,349	-	-	-	2,470,349
Real estate transfer taxes	781,363	-	-	-	781,363
Local services tax	1,048,325	-	-	-	1,048,325
Solid waste disposal tax	1,280,675	-	-	-	1,280,675
Other taxes	42,491	-	-	-	42,491
Licenses and permits	1,480,599	-	-	-	1,480,599
Fines and forfeits	145,333	-	-	-	145,333
Interest income and investment earnings	112,227	95,930	3,360	195	211,712
Rental income	-	25,000	-	-	25,000
Intergovernmental	1,011,228	242,849	477,142	-	1,731,219
Charges for services	807,653	-	-	210,282	1,017,935
Assessments and fees	-	203,972	-	-	203,972
Miscellaneous	100,062	25	-	-	100,087
<b><u>Total Revenues</u></b>	<b><u>25,592,646</u></b>	<b><u>567,776</u></b>	<b><u>480,502</u></b>	<b><u>210,477</u></b>	<b><u>26,851,401</u></b>
<b><u>Expenditures</u></b>					
General government	3,083,008	131,981	-	-	3,214,989
Public safety	10,599,563	70,000	-	-	10,669,563
Public works	2,305,538	1,356,315	567,725	-	4,229,578
Culture and recreation	1,123,598	48,289	-	-	1,171,887
Employee benefits	3,395,132	-	-	4,440,382	7,835,514
Debt service	-	159,855	-	-	159,855
<b><u>Total Expenditures</u></b>	<b><u>20,506,839</u></b>	<b><u>1,766,440</u></b>	<b><u>567,725</u></b>	<b><u>4,440,382</u></b>	<b><u>27,281,386</u></b>
<b><u>Excess of Revenues Over (Under)</u></b>					
<b><u>Expenditures</u></b>	<b><u>5,085,807</u></b>	<b><u>(1,198,664)</u></b>	<b><u>(87,223)</u></b>	<b><u>(4,229,905)</u></b>	<b><u>(429,985)</u></b>
<b><u>Other Financing Sources (Uses)</u></b>					
Refund of prior year expenditures	-	54,523	-	-	54,523
Transfers in	268,466	200,000	-	4,113,000	4,581,466
Transfers out	(5,433,923)	(933,927)	-	-	(6,367,850)
<b><u>Total Other Financing Sources and (Uses)</u></b>	<b><u>(5,165,457)</u></b>	<b><u>(679,404)</u></b>	<b><u>-</u></b>	<b><u>4,113,000</u></b>	<b><u>(1,731,861)</u></b>
<b><u>Net Change in Fund Balances</u></b>	<b><u>(79,650)</u></b>	<b><u>(1,878,068)</u></b>	<b><u>(87,223)</u></b>	<b><u>(116,905)</u></b>	<b><u>(2,161,846)</u></b>
<b><u>Fund Balances - Beginning of Year</u></b>	<b><u>11,371,082</u></b>	<b><u>9,480,251</u></b>	<b><u>314,958</u></b>	<b><u>1,184,587</u></b>	<b><u>22,350,878</u></b>
<b><u>Fund Balances - End of Year</u></b>	<b><u>\$ 11,291,432</u></b>	<b><u>\$ 7,602,183</u></b>	<b><u>\$ 227,735</u></b>	<b><u>\$ 1,067,682</u></b>	<b><u>\$ 20,189,032</u></b>

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

**Plymouth Township**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds (Continued)**  
**For the Year Ended December 31, 2020**

Reconciliation of the change in fund balances - total governmental funds  
to the change in net position of governmental activities:

Net Change in Fund Balances - Total Governmental Funds \$ (2,161,846)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	1,702,799
Depreciation expense	(1,959,607)

The following changes in long-term liabilities affect expenses in the statement of activities, but are not reflected in the statement of revenues, expenditures, and changes in fund balances - governmental funds:

Promissory note payable	159,855
Liability for compensated absences	(14,493)
Net other post-employment benefits liability, net of related deferred outflows and deferred inflows	3,742,417
Net pension liability, net of related deferred outflows and deferred inflows	2,945,184

The change in accrued interest income that is not available to pay liabilities of the current period does not represent available spendable financial resources and is, therefore, not reported in the funds. 3,243

The change in deferred inflow of resources for earned income taxes collected beyond 60 days of year-end is reflected in the statement of revenues, expenditures, and changes in fund balances - governmental funds, but does not affect revenues recognized in the statement of activities. (106,469)

Change in Net Position of Governmental Activities \$ 4,311,083

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

**Plymouth Township**  
**Budgetary Comparison Statement - General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Amounts	Favorable (Unfavorable) Variance
<b><u>Revenue and Other Financing Sources</u></b>			
Earned income tax	\$ 7,590,000	\$ 7,260,472	\$ (329,528)
Real estate taxes	2,762,000	2,771,470	9,470
Fire services fee	1,212,000	1,199,445	(12,555)
Business privilege taxes	5,150,000	5,080,954	(69,046)
Mercantile taxes	2,580,000	2,470,349	(109,651)
Real estate transfer taxes	700,000	781,363	81,363
Local services tax	1,190,000	1,048,325	(141,675)
Solid waste disposal tax	1,280,000	1,280,675	675
Other taxes	53,000	42,491	(10,509)
Licenses and permits	1,466,340	1,480,599	14,259
Fines and forfeits	137,400	145,333	7,933
Interest income	85,000	112,227	27,227
Intergovernmental	1,048,034	1,011,228	(36,806)
Charges for services	925,710	807,653	(118,057)
Miscellaneous	75,000	100,062	25,062
Transfers from other funds	268,466	268,466	-
<b><u>Total Revenue and Other Financing Sources</u></b>	<b><u>26,522,950</u></b>	<b><u>25,861,112</u></b>	<b><u>(661,838)</u></b>
<b><u>Expenditures and Other Financing Uses</u></b>			
General government			
Manager's office	643,222	639,076	4,146
Administration	1,659,564	1,573,760	85,804
Tax collection	228,081	224,477	3,604
Township building	324,932	275,345	49,587
Reimbursable costs	290,000	370,350	(80,350)
Public safety			
Police protection	8,169,493	7,784,789	384,704
Fire protection	1,435,787	1,366,232	69,555
Zoning	132,166	120,635	11,531
Building	726,215	1,164,983	(438,768)
Code enforcement	219,056	162,924	56,132
Public works			
Sanitation	1,152,100	1,159,649	(7,549)
Administration	416,000	480,916	(64,916)
Street maintenance	121,100	97,525	23,575
Highway services	314,500	245,047	69,453
Equipment maintenance and purchases	352,000	322,401	29,599
Culture and recreation			
Buildings and grounds	798,653	731,447	67,206
Parks and recreation	664,214	392,151	272,063
Employee benefits	3,524,094	3,395,132	128,962
Transfers to other funds	4,813,000	5,433,923	(620,923)
<b><u>Total Expenditures and Other Financing Uses</u></b>	<b><u>25,984,177</u></b>	<b><u>25,940,762</u></b>	<b><u>43,415</u></b>
<b><u>Net Change in Fund Balance</u></b>	<b><u>538,773</u></b>	<b><u>(79,650)</u></b>	<b><u>(618,423)</u></b>
<b><u>Fund Balance - Beginning of Year</u></b>	<b><u>10,300,000</u></b>	<b><u>11,371,082</u></b>	<b><u>1,071,082</u></b>
<b><u>Fund Balance - End of Year</u></b>	<b><u>\$ 10,838,773</u></b>	<b><u>\$ 11,291,432</u></b>	<b><u>\$ 452,659</u></b>

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

**Plymouth Township**  
**Budgetary Comparison Statement - Capital Reserve Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Amounts	Favorable (Unfavorable) Variance
	<u>          </u>	<u>          </u>	<u>          </u>
<b><u>Revenue and Other Financing Sources</u></b>			
Interest income	\$ 125,000	\$ 95,930	\$ (29,070)
Rental income	-	25,000	25,000
Intergovernmental	50,000	242,849	192,849
Assessments and fees	87,000	203,972	116,972
Other revenue	-	25	25
Refund of prior year expenditures	-	54,523	54,523
Transfers from other funds	500,000	200,000	(300,000)
	<u>762,000</u>	<u>822,299</u>	<u>60,299</u>
<b><u>Expenditures and Other Financing Uses</u></b>			
General government	897,376	131,981	765,395
Public safety			
Fire protection	-	70,000	(70,000)
Public works			
Highways, roads, and streets	2,417,000	1,356,315	1,060,685
Culture and recreation			
Parks and recreation	400,000	25,082	374,918
Other	-	23,207	(23,207)
Debt service	-	159,855	(159,855)
Transfers to other funds	-	933,927	(933,927)
	<u>3,714,376</u>	<u>2,700,367</u>	<u>1,014,009</u>
<b><u>Net Change in Fund Balance</u></b>	(2,952,376)	(1,878,068)	1,074,308
<b><u>Fund Balance - Beginning of Year</u></b>	<u>8,480,000</u>	<u>9,480,251</u>	<u>1,000,251</u>
<b><u>Fund Balance - End of Year</u></b>	<u>\$ 5,527,624</u>	<u>\$ 7,602,183</u>	<u>\$ 2,074,559</u>

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

**Plymouth Township**  
**Budgetary Comparison Statement - Highway Aid Fund**  
**For the Year Ended December 31, 2020**

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Favorable (Unfavorable) Variance</u>
<u>Revenue</u>			
Interest income	\$ 5,000	\$ 3,360	\$ (1,640)
Intergovernmental	<u>489,818</u>	<u>477,142</u>	<u>(12,676)</u>
<u>Total Revenue</u>	<u>494,818</u>	<u>480,502</u>	<u>(14,316)</u>
<u>Expenditures</u>			
Public works - highways, roads, and streets	<u>498,500</u>	<u>567,725</u>	<u>(69,225)</u>
<u>Total Expenditures</u>	<u>498,500</u>	<u>567,725</u>	<u>(69,225)</u>
<u>Net Change in Fund Balance</u>	(3,682)	(87,223)	(83,541)
<u>Fund Balance - Beginning of Year</u>	<u>300,000</u>	<u>314,958</u>	<u>14,958</u>
<u>Fund Balance - End of Year</u>	<u>\$ 296,318</u>	<u>\$ 227,735</u>	<u>\$ (68,583)</u>

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



**Plymouth Township**  
**Budgetary Comparison Statement - Health and Welfare Fund**  
**For the Year Ended December 31, 2020**

	<u>Original and Final Budget</u>	<u>Actual Amounts</u>	<u>Favorable (Unfavorable) Variance</u>
<u>Revenue and Other Financing Sources</u>			
Investment earnings	\$ 500	\$ 195	\$ (305)
Charges for services	208,000	210,282	2,282
Transfers from other funds	4,113,000	4,113,000	-
	<u>4,321,500</u>	<u>4,323,477</u>	<u>1,977</u>
 <u>Expenditures</u>			
Employee benefits	4,521,500	4,440,382	81,118
	<u>4,521,500</u>	<u>4,440,382</u>	<u>81,118</u>
 <u>Net Change in Fund Balance</u>	(200,000)	(116,905)	83,095
 <u>Fund Balance - Beginning of Year</u>	<u>1,196,000</u>	<u>1,184,587</u>	<u>(11,413)</u>
 <u>Fund Balance - End of Year</u>	<u>\$ 996,000</u>	<u>\$ 1,067,682</u>	<u>\$ 71,682</u>

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

**Plymouth Township**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2020**

	Enterprise Funds		
	Sewer Revenue and Reserve	Greater Plymouth Community Center	Totals
<u>Assets</u>			
<u>Current Assets</u>			
Cash and cash equivalents	\$ 309,595	\$ 550,768	\$ 860,363
Equity in pooled cash and investments	4,282,851	-	4,282,851
Accrued interest	10,900	-	10,900
Sewer rents receivable	843,908	-	843,908
<u>Total Current Assets</u>	5,447,254	550,768	5,998,022
<u>Noncurrent Assets</u>			
<u>Capital Assets</u>			
Land	2	930,000	930,002
Construction and extensions - sewer system	7,496,145	-	7,496,145
Building and equipment	908,250	14,135,511	15,043,761
Less accumulated depreciation	(4,661,266)	(5,517,287)	(10,178,553)
<u>Total Noncurrent Assets</u>	3,743,131	9,548,224	13,291,355
<u>Total Assets</u>	\$ 9,190,385	\$ 10,098,992	\$ 19,289,377
<u>Liabilities and Net Position</u>			
<u>Liabilities</u>			
Deficit in equity in pooled cash and investments	\$ -	\$ 556,553	\$ 556,553
Accounts payable and accrued expenses	324,772	54,021	378,793
Unearned revenue	-	26,000	26,000
<u>Total Liabilities</u>	324,772	636,574	961,346
<u>Net Position</u>			
Invested in capital assets	3,743,131	9,548,224	13,291,355
Unrestricted	5,122,482	(85,806)	5,036,676
<u>Total Net Position</u>	8,865,613	9,462,418	18,328,031
<u>Total Liabilities and Net Position</u>	\$ 9,190,385	\$ 10,098,992	\$ 19,289,377

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

**Plymouth Township**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	<u>Enterprise Funds</u>		
	<u>Sewer Revenue and Reserve</u>	<u>Greater Plymouth Community Center</u>	<u>Totals</u>
<u>Operating Revenues</u>			
Charges for services	\$ 2,563,236	\$ 670,517	\$ 3,233,753
Special assessments	262,184	-	262,184
Miscellaneous	4,950	-	4,950
<u>Total Operating Revenues</u>	<u>2,830,370</u>	<u>670,517</u>	<u>3,500,887</u>
<u>Operating Expenses</u>			
Sewage collection and treatment	2,433,223	-	2,433,223
Culture and recreation	-	1,635,875	1,635,875
Depreciation	118,978	395,854	514,832
<u>Total Operating Expenses</u>	<u>2,552,201</u>	<u>2,031,729</u>	<u>4,583,930</u>
<u>Operating Income (Loss)</u>	<u>278,169</u>	<u>(1,361,212)</u>	<u>(1,083,043)</u>
<u>Non-Operating Revenues</u>			
Interest income	49,270	364	49,634
<u>Total Non-Operating Revenue</u>	<u>49,270</u>	<u>364</u>	<u>49,634</u>
<u>Income (Loss) Before Transfers</u>	<u>327,439</u>	<u>(1,360,848)</u>	<u>(1,033,409)</u>
Transfers in	-	2,054,850	2,054,850
Transfers out	(268,466)	-	(268,466)
<u>Change in Net Position</u>	<u>58,973</u>	<u>694,002</u>	<u>752,975</u>
<u>Total Net Position - Beginning of Year</u>	<u>8,806,640</u>	<u>8,768,416</u>	<u>17,575,056</u>
<u>Total Net Position - End of Year</u>	<u>\$ 8,865,613</u>	<u>\$ 9,462,418</u>	<u>\$ 18,328,031</u>

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

**Plymouth Township**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Enterprise Funds		
	Sewer Revenue and Reserve	Greater Plymouth Community Center	Totals
<u>Cash Flows from Operating Activities</u>			
Receipts from customers	\$ 2,761,349	\$ 591,517	\$ 3,352,866
Payments to suppliers	(2,325,925)	(459,786)	(2,785,711)
Payments to employees	(48,684)	(1,258,802)	(1,307,486)
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>386,740</u>	<u>(1,127,071)</u>	<u>(740,331)</u>
<u>Cash Flows from Noncapital Financing Activities</u>			
Contributions from governmental funds	-	2,054,850	2,054,850
Operating transfers out	(268,466)	-	(268,466)
<u>Net Cash Provided (Used) by Noncapital Financing Activities</u>	<u>(268,466)</u>	<u>2,054,850</u>	<u>1,786,384</u>
<u>Cash Flows from Capital and Related Financing Activities</u>			
Acquisition and construction of capital assets	(360,468)	(933,928)	(1,294,396)
<u>Net Cash (Used) by Capital and Related Financing Activities</u>	<u>(360,468)</u>	<u>(933,928)</u>	<u>(1,294,396)</u>
<u>Cash Flows from Investing Activities</u>			
Interest income	59,834	364	60,198
<u>Net Cash Provided by Investing Activities</u>	<u>59,834</u>	<u>364</u>	<u>60,198</u>
<u>Net (Decrease) in Cash, Cash Equivalents, and Equity in Pooled Cash and Investments</u>	<u>(182,360)</u>	<u>(5,785)</u>	<u>(188,145)</u>
<u>Cash, Cash Equivalents, and Equity in Pooled Cash and Investments:</u>			
<u>Beginning of Year</u>	<u>4,774,806</u>	<u>-</u>	<u>4,774,806</u>
<u>End of Year</u>	<u>\$ 4,592,446</u>	<u>\$ (5,785)</u>	<u>\$ 4,586,661</u>
Cash and cash equivalents	\$ 309,595	\$ 550,768	\$ 860,363
Equity in pooled cash and investments	4,282,851	-	4,282,851
Deficit in equity in pooled cash and investments	-	(556,553)	(556,553)
<u>Total Cash, Cash Equivalents, and Equity in Pooled Cash and Investments - End of Year</u>	<u>\$ 4,592,446</u>	<u>\$ (5,785)</u>	<u>\$ 4,586,661</u>

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

**Plymouth Township**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2020**

	Enterprise Funds		
	Sewer Revenue and Reserve	Greater Plymouth Community Center	Totals
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Provided (Used) by Operating Activities:</u>			
Operating income (loss)	\$ 278,169	\$(1,361,212)	\$(1,083,043)
Adjustments to reconcile operating income (loss) to Net cash provided (used) by operating activities:			
Depreciation	118,978	395,854	514,832
Change in assets and liabilities:			
Sewer rents receivable	(69,021)	-	(69,021)
Accounts payable and accrued expenses	58,614	(82,713)	(24,099)
Unearned revenue	-	(79,000)	(79,000)
<u>Net Cash Provided (Used) by Operating Activities</u>	<u>\$ 386,740</u>	<u>\$(1,127,071)</u>	<u>\$ (740,331)</u>

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

**Plymouth Township**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2020**

	Pension and Other Employee Benefit Trust Funds					Custodial Funds
	Police Pension Trust Fund	Deferred Retirement Option Plan (DROP) Trust Fund	Non-Uniformed Employees' Pension Trust Fund	Post-Retirement Healthcare Fund	Deferred Compensation Fund	
<u>Assets</u>						
Cash and cash equivalents	\$ 1,212,279	\$ -	\$ 780,918	\$ 471,154	\$ -	\$ 445,155
Equity in pooled cash and investments				-	-	450,000
Accrued interest receivable	24	-	16	-	-	-
Investments, at fair value:						
Mutual funds	53,132,850	1,577,666	33,580,487	30,236,472	10,792,223	-
<b>Total Assets</b>	<b>\$ 54,345,153</b>	<b>\$ 1,577,666</b>	<b>\$ 34,361,421</b>	<b>\$ 30,707,626</b>	<b>\$ 10,792,223</b>	<b>\$ 895,155</b>
<u>Liabilities</u>						
Due to other governments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 34,511
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,511</b>
<u>Net Position</u>						
Restricted for pension benefits	54,345,153	1,577,666	34,361,421	-	-	-
Restricted for deferred compensation benefits	-	-	-	-	10,792,223	-
Held in trust for post-retirement benefits	-	-	-	30,707,626	-	-
Held in trust for developers and others	-	-	-	-	-	860,644
<b>Total Net Position</b>	<b>\$ 54,345,153</b>	<b>\$ 1,577,666</b>	<b>\$ 34,361,421</b>	<b>\$ 30,707,626</b>	<b>\$ 10,792,223</b>	<b>\$ 860,644</b>

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

**Plymouth Township**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Year Ended December 31, 2020**

	Pension and Other Employee Benefit Trust Funds					
	Police Pension Trust Fund	Deferred Retirement Option Plan (DROP) Trust Fund	Non-Uniformed Employees' Pension Trust Fund	Post-Retirement Healthcare Fund	Deferred Compensation Fund	Custodial Funds
<u>Additions</u>						
Contributions						
State	\$ 413,602	\$ -	\$ 379,135	\$ -	\$ -	\$ -
Township	1,169,143	-	622,214	805,288	-	-
Plan members	234,361	170,843	220	-	542,404	-
Total Contributions	<u>1,817,106</u>	<u>170,843</u>	<u>1,001,569</u>	<u>\$ 805,288</u>	<u>542,404</u>	<u>-</u>
Investment Earnings						
Net increase in fair value of Investments, including realized gains and losses	6,581,688	79,688	4,179,178	3,805,059	1,090,635	-
Interest and dividends	1,028,688	-	649,824	588,947	-	-
Total Investment Earnings	<u>7,610,376</u>	<u>79,688</u>	<u>4,829,002</u>	<u>4,394,006</u>	<u>1,090,635</u>	<u>-</u>
Other Additions						
Real estate tax collections for other governments	-	-	-	-	-	6,411,924
Escrow deposits from developers	-	-	-	-	-	158,203
Total Other Additions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,570,127</u>
Total Additions	<u>9,427,482</u>	<u>250,531</u>	<u>5,830,571</u>	<u>5,199,294</u>	<u>1,633,039</u>	<u>6,570,127</u>
<u>Deductions</u>						
Benefits	1,652,853	509,602	834,775	805,288	504,309	-
Administrative expenses	123,981	1,169	83,218	67,849	1,294	-
Payments of real estate taxes to other governments	-	-	-	-	-	6,411,924
Return of escrow deposits to developers	-	-	-	-	-	40,729
Other deductions	-	-	-	-	-	4,321
Total Deductions	<u>1,776,834</u>	<u>510,771</u>	<u>917,993</u>	<u>873,137</u>	<u>505,603</u>	<u>6,456,974</u>
Change in Net Position	7,650,648	(260,240)	4,912,578	4,326,157	1,127,436	113,153
Net Position - Beginning of Year	<u>46,694,505</u>	<u>1,837,906</u>	<u>29,448,843</u>	<u>26,381,469</u>	<u>9,664,787</u>	<u>747,491</u>
Net Position - End of Year	<u>\$ 54,345,153</u>	<u>\$ 1,577,666</u>	<u>\$ 34,361,421</u>	<u>\$ 30,707,626</u>	<u>\$ 10,792,223</u>	<u>\$ 860,644</u>

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

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1     Summary of Significant Accounting Policies

The financial statements of Plymouth Township (the “Township”) are prepared in accordance with generally accepted accounting principles (“GAAP”). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

A. Financial Reporting Entity

As required by GAAP, these financial statements present the Township (the primary government) and its discretely presented component units.

A component unit is a legal entity that is either a separate government organization that is not a primary government, a not-for-profit corporation, or a for-profit corporation, that meets any one of the following four conditions:

- a. The primary government appoints a voting majority of the entity’s governing body; and the primary government can impose its will on the entity, and/or a financial benefit/burden relationship exists between the primary government and the entity;
- b. The entity is fiscally dependent on the primary government and has a financial benefit/burden relationship with the primary government;
- c. The primary government holds a majority equity interest in the entity for the purpose of facilitating government services; or
- d. The primary government’s financial statements would be misleading if the entity was excluded.

A component unit’s financial statements are blended with the financial statements of the primary government when one of the following four circumstances is met:

- a. There is substantively the same governing body for both the primary government and the component unit; and there is a financial benefit or burden relationship between the primary government and the component unit, or the operational responsibility for the component unit rests with the management of the primary government.
- b. A component unit provides services entirely (or almost entirely) to the primary government or benefits the primary government exclusively (or almost exclusively).
- c. A component unit’s debt, including leases, is expected to be repaid entirely or almost entirely with the primary government's resources.
- d. A component unit is incorporated as a not-for-profit corporation and the primary government is the sole corporate member.



**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1 Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

A discretely presented component unit is a separate legal entity that meets the component unit criteria described above but does not meet the criteria for blending. Those component units' financial statements are presented discretely in the primary government's government-wide financial statements.

The Township's financial reporting entity is comprised of the following:

Primary Government:	Plymouth Township
Discretely Presented Component Units:	Plymouth Township Parks, Recreation and Facilities Fund (Nonprofit Entity) Harmonville Fire Company Plymouth Fire Company

Plymouth Township Parks, Recreation and Facilities Fund is a nonprofit entity that was established to solicit and receive contributions from persons, corporations, foundations, and other entities to be remitted to the Township for the sole purpose of applying such contributions to the payment of the cost of acquisition of open space, park land, and recreation facilities and to the payment of the cost of the improvement, maintenance, and operation of the parks and recreational facilities, including the Greater Plymouth Community Center. Complete financial statements of Plymouth Township Parks, Recreation and Facilities Fund can be obtained from the Township. Harmonville Fire Company and Plymouth Fire Company both serve Township residents. The Township contributes monies to and secures loans for both fire companies. Complete financial statements of the fire companies can be obtained from their administrative offices.

The East Norriton-Plymouth-Whitpain Joint Sewer Authority (the "Sewer Authority") is not a component unit of the Township, but rather a Joint Venture in accordance with GAAP. The Sewer Authority owns and operates the sewer plants and lines in the three consenting localities. As it is an operating authority, property, plant, and equipment are recorded in the financial statements of the Sewer Authority. Since the Township does not have an equity interest in the net resources of the Sewer Authority, but instead has only a residual interest upon dissolution, the Township does not reflect any equity in the Sewer Authority in these financial statements.

Selected financial information for the Sewer Authority for their fiscal year ended December 31, 2020 is as follows:

Total Assets	\$ 22,871,652
Total Net Position	4,177,624
Total Operating Revenues	4,167,538

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1     Summary of Significant Accounting Policies (Continued)

A. Financial Reporting Entity (Continued)

Complete financial statements for the Sewer Authority can be obtained from their administrative offices.

The financial statements of the Plymouth Community Ambulance Association are excluded from the financial statements of Plymouth Township since the Township's contribution to the total revenues of the Association each year is relatively insignificant and, therefore, a financial interdependence is not evident. Hence, the Plymouth Community Ambulance Association does not qualify as a component unit.

B. Basis of Presentation

*Government-Wide Financial Statements*

The Statement of Net Position and Statement of Activities display information about the reporting entity as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

*Fund Financial Statements*

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Township or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

In addition, any other fund that government officials feel has importance to financial statement users may be reported as a major fund.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

The funds of the financial reporting entity are described below:

*Governmental Funds (All classified as major funds)*

- General Fund – The General Fund is the primary operating fund of the Township and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.
- Capital Reserve Fund – The Capital Reserve Fund is used to account for resources designated for the acquisition or construction of specific capital projects or items.
- Highway Aid Fund – The Highway Aid Fund is used to account for the proceeds of state grants earmarked for highways and streets.
- Health and Welfare Fund – The Health and Welfare Fund is used to account for the payment of health and disability insurance premiums for Township employees and retirees.

*Proprietary Funds (All classified as major funds)*

- Sewer Revenue and Reserve Fund – The Sewer Revenue and Reserve Fund accounts for the proceeds of sewer rentals and payments for sewage treatment.
- Greater Plymouth Community Center – This fund accounts for the operations of the Greater Plymouth Community Center, which is a recreational facility that benefits people residing or working in and around Plymouth Township.

*Fiduciary Funds (Not included in government-wide statements)*

The Township's fiduciary funds are comprised of funds held in trust for employees and custodial funds used to account for assets held by the Township in a purely custodial capacity.

The following funds are held in trust for employees:

- Police Pension Trust Fund – The Police Pension Trust Fund accounts for annual contributions, investment earnings, and benefit payments to retired police officers.
- Deferred Retirement Option Plan (DROP) Trust Fund – the Deferred Retirement Option Plan (DROP) Trust Fund accounts for annual contributions and related investment earnings for the benefit of certain Township employees who have elected to defer their retirement.
- Non-Uniformed Employees' Pension Trust Fund – The Non-Uniformed Employees' Pension Trust Fund accounts for annual contributions, investment earnings, and benefit payments to retired non-uniformed employees.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1 Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

- Post-Retirement Healthcare Fund – The Post-Retirement Healthcare Fund was established in 2003 to fund future health insurance premiums for retired employees.
- Deferred Compensation Fund – The Deferred Compensation Fund accounts for Township employees’ salary deferrals. These funds are not available to the employees until termination, death, retirement, or an unexpected emergency.

The Township’s custodial funds consist of the following funds:

- Escrow Fund – The Escrow Fund accounts for money received and reserved for potential future costs to be incurred by the Township resulting from engineering or other costs involved in development. This fund also accounts for real estate taxes paid in protest.
- Real Estate Tax Collector’s Fund – The Real Estate Tax Collector’s Fund accounts for collections and remittances of real estate taxes to Montgomery County.

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe *which* transactions are recorded within the various financial statements. Basis of accounting refers to *when* transactions are recorded regardless of the measurement focus applied.

*Measurement Focus*

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below. In addition, the component units are presented using the economic resources measurement focus.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary funds and the fiduciary funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1 Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

- c. The fiduciary funds utilize an “economic resources” measurement focus. The accounting objectives are the determination of changes in net position. All assets and liabilities (except for certain liabilities of defined benefit pension plans and certain postemployment health care plans) are reported. Fiduciary fund equity is classified as net position.
- d. The component units are not presented in the fund financial statements since the component units’ funds are not blended into those of the Township’s.

*Basis of Accounting*

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or when the economic asset is used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. The Harmonville Fire Company and the Plymouth Fire Company, included in the presentation of the component units, utilize the modified cash basis of accounting, which is a comprehensive basis of accounting that is not in conformity with generally accepted accounting principles. Under this method, revenues are recorded when received and expenditures are recorded when paid. However, the effects of utilizing the modified cash basis of accounting instead of the modified accrual basis are deemed immaterial to the financial statements.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers real estate tax revenues, earned income taxes, and local services tax revenues to be available if collected within sixty days of the end of the fiscal year. Expenditures (including capital outlays) are recorded when the related fund liability is incurred.

All proprietary funds and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or when the economic asset is used.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1     Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Equity

*Cash and Investments*

Cash and cash equivalents of the primary government and the discretely presented component units include amounts in demand deposits, money market funds, and amounts deposited with the Pennsylvania Local Government Investment Trust. Investments are stated at fair market value.

*Pooled Cash and Investments*

The Township maintains an internal cash and investment pool to facilitate efficient cash management and accounting. Monies that can be legally or practically combined are included in the pool. Receipts from member funds increase their equity in the pool and disbursements made on behalf of member funds reduce their equity. Interest earned on investments is distributed to funds for which there is a legal requirement to do so, based on their share of equity in the pool.

*Interfund Receivables and Payables*

During the course of operations, loans may occur between individual funds for working capital purposes. In the government-wide financial statements, these receivables and payables are classified as “Internal Balances” or “Other Current Assets” in the current assets section of the Statement of Net Position. In the fund financial statements, these receivables and payables are classified as “Interfund Receivables” or “Interfund Payables.”

*Capital Assets*

The accounting treatment for capital assets (land, construction in progress, buildings and improvements, machinery and equipment, and infrastructure) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

In the government-wide financial statements, capital assets are reported as noncurrent assets. All capital assets are valued at historical cost or estimated historical cost if actual is unavailable. Prior to 2003, the Township’s governmental fund infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets’ estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	45 years
Machinery and Equipment	5-15 years
Infrastructure	15-50 years

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1 Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Equity (Continued)

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental funds upon acquisition. Capital assets used in proprietary fund operations are reported as noncurrent assets.

*Long-term Debt*

The accounting treatment of long-term debt depends on whether the debt relates to governmental fund operations or proprietary fund operations.

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide financial statements. As of December 31, 2020, the long-term debt consists of accrued compensated absences, net pension liabilities, and net other post-employment benefits.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. Any debt proceeds are reported as other financing sources and any payment of principal and interest is reported as expenditures. The accounting for the proprietary funds is the same in the fund financial statements as it is in the government-wide financial statements.

*Compensated Absences – Vacation Days*

Up to ten unused vacation days are allowed to be carried forward to the following year for non-union employees. The liability for unused vacation days for these employees is included in accrued expenses in the government-wide financial statements. Since it is estimated that no expendable available financial resources will be used to pay for unused vacation days, no accrued liability is recorded in the fund financial statements.

*Compensated Absences - Sick Days*

Sick leave is granted as appropriate. Non-unionized employees and unionized sworn police officers may not carry unused sick leave days from year to year. However, employees who are members of the American Federation of State, County, and Municipal Employees (“AFSCME”) are entitled to 80 hours of sick leave per year and may carry over unused sick leave days from year to year. Accumulated sick time for these employees shall be paid upon retirement to a maximum of 480 hours.

The liability for these compensated absences for vacation and sick days is recorded as long-term debt in the government-wide statements. Since it is estimated that no expendable available financial resources will be used to pay for unused sick days, no accrued liability is recorded in the fund financial statements.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1     Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Equity (Continued)

*Equity Classifications – Government-Wide Financial Statements*

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

- a. Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

*Equity Classifications – Fund Financial Statements*

The Township classifies governmental fund balances as follows:

- a. Non-spendable – includes fund balance amounts that cannot be spent either because the amounts are not in spendable form or are legally or contractually required to be maintained intact.
- b. Restricted – includes fund balance amounts that are restricted to specific purposes by external parties or by law through constitutional provisions or enabling legislation.
- c. Committed – includes fund balance amounts that can only be used for specific purposes due to formal action of the Township’s highest level of decision-making authority, which is the Plymouth Township Council. Committed fund balance may also include resources that have been specifically committed for use in satisfying contractual requirements.
- d. Assigned – includes fund balance amounts that are constrained by the Township’s intent to be used for specific purposes but are not restricted or committed. Only Plymouth Township Council has the power to assign fund balances.
- e. Unassigned – includes the residual classification of fund balance of the General Fund, whether the amount is positive or negative. Other governmental funds may report negative unassigned fund balance if their expenditures exceed the amounts restricted, committed, or assigned to their fund purposes.



**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1     Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Equity (Continued)

When both restricted and unrestricted resources are available for use, it is the Township's policy to use restricted resources first and then unrestricted resources as they are needed. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Township considers amounts to have been spent first out of committed funds, then assigned funds and, finally, unassigned funds, as needed. The Township does not have a minimum fund balance policy for its general fund.

E. Revenues, Expenditures, and Expenses

*Government-Wide Financial Statements*

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities. Expenses for employee benefits are not allocated by function for governmental activities and related funds, but instead are shown as a separate function; expenses for employee benefits for business-type activities and related funds are included in operating expenses. Revenues are categorized as program revenues by function, or as general revenues.

Program revenues reported in the Statement of Activities are classified into the following categories: (a) Charges for Services, (b) Operating Grants and Contributions, and (c) Capital Grants and Contributions.

Charges for services for governmental activities include licenses and permits and such services as inspection services and special duty police. Charges for services for business-type activities include sewer fees and special assessments for the sewer operations, and membership and program fees for the Greater Plymouth Community Center.

General revenues include all revenues and gains that do not meet the definition of program revenues, and include primarily taxes, grants and contributions not restricted to specific programs, and unrestricted investment earnings.

*Fund Financial Statements*

In the fund financial statements, expenses are categorized by function. All revenues are listed together in arriving at total revenues for each fund.

Operating revenues and expenses for proprietary funds are those that result from providing services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 1 Summary of Significant Accounting Policies (Continued)

E. Revenues, Expenditures, and Expenses

*Real Estate Taxes*

The tax on real estate in Plymouth Township for 2020 was 1.6 mills (\$1.60 per \$1,000 of assessed valuation) as levied by Council. Assessed valuations of property are determined by Montgomery County, and the tax collector is responsible for collection. The schedule for real estate taxes levied for 2020 was as follows:

February 15, 2020	- Levy Date
February 16 – May 31, 2020	- 2% Discount Period
June 1 – July 31, 2020	- Face Payment Period
August 1 – January 14, 2021	- 10% Penalty Period
January 15, 2021	- Lien Date

*Interfund Transfers*

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Note 2 Deposits

*Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be returned to it. As of December 31, 2020, the bank balances and the carrying amounts of deposits of the primary government in these financial statements were as follows:

	Carrying Amount	Bank Balance		
		Total	Covered by FDIC	Secured
Checking, Savings, and Money Market Accounts Pennsylvania Local Government	\$ 6,355,204	\$ 6,842,416	\$ 500,000	\$ 6,342,416
Investment Trust (PLGIT)	13,298,117	13,296,652	-	13,296,652
Petty Cash	450	-	-	-
Total	<u>\$ 19,653,771</u>	<u>\$ 20,139,068</u>	<u>\$ 500,000</u>	<u>\$ 19,639,068</u>

Bank deposits not covered by federal depository insurance ("FDIC") are uninsured but secured by U.S. Government-backed investments or secured on a pooled basis.

The carrying amount of discretely presented component unit deposits is \$1,738,045 and the bank balance is \$1,775,033. Bank deposits totaling \$477,556 are covered by federal depository insurance, and deposits totaling \$1,297,477 are uninsured.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 2     Deposits (Continued)

*Credit Risk*

The PLGIT portfolios may contain a combination of obligations of the U.S. government or its agencies, obligations of the Commonwealth of Pennsylvania or its agencies, Federal securities subject to repurchase obligations (collateralized by U.S. Treasury or Federal Agency or instrumentality obligations held by the Trust's Custodian), FDIC insured certificates of deposit (CDs), CDs secured by U.S. Government-backed investments or secured on a pooled basis, or shares of Registered Money Market Funds which invest solely in the securities described above and which are rated in the highest capacity by a nationally recognized rating agency. The Township's PLGIT portfolios are currently rated AAAM by Standard & Poor's.

Note 3     Investments

Pennsylvania municipalities are required to invest funds consistent with sound business practice. Regarding the investments of the Township's governmental funds, state statutes authorize the Township to invest in United States (U.S.) Treasury bills; short-term obligations of the U.S. government or its agencies or instrumentalities; deposit accounts, which include savings accounts and certificates of deposit as well as other time deposit type accounts available at banks, savings and loan associations, or credit unions; obligations of the U.S. government (other than Treasury bills) or its agencies or instrumentalities backed by full faith and credit; obligations of the Commonwealth of Pennsylvania or its agencies or instrumentalities backed by the full faith and credit of the Commonwealth or its political subdivisions; shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, provided that the only investments of that company are in the authorized investments for municipal funds; and certain commercial paper, bankers' acceptances, and negotiable certificates of deposit. In addition, the Intergovernmental Cooperation Act 11 permits cooperative investment pools, such as the Pennsylvania Local Government Investment Trust and the State Treasurer's Invest Program. In addition to these investments, the investments of fiduciary funds may include corporate stocks and bonds, real estate, and other investments consistent with sound business practice.

*Custodial Credit Risk*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Township may not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Township's investments are categorized as either (1) insured or registered with the securities held by the Township or its agent in the Township's name, (2) uninsured and unregistered for which the securities are held by the broker's or dealer's trust department or agent in the Township's name, or (3) uninsured and unregistered for which the securities are held by the broker or dealer, or by its trust department or agent but not in the Township's name.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 3 Investments (Continued)

*Custodial Credit Risk (Continued)*

The investments of the primary government and its component units are summarized below.

	Categories			Carrying Amount	Market Value
	1	2	3		
Primary Government:					
PLGIT CD Program	\$ -	\$ -	\$ 1,411,000	\$ 1,411,000	\$ 1,411,000
PLGIT Term	-	-	5,000,000	5,000,000	5,000,000
Mutual Funds	-	-	129,319,698	129,319,698	129,319,698
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135,730,698</u>	<u>\$ 135,730,698</u>	<u>\$ 135,730,698</u>
Harmonville Fire Company (Component Unit):					
Mutual Funds	\$ -	\$ -	\$ 2,093,439	\$ 2,093,439	\$ 2,093,439
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,093,439</u>	<u>\$ 2,093,439</u>	<u>\$ 2,093,439</u>

*Credit Risk*

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. The credit quality ratings as described by a nationally recognized statistical rating organization is disclosed for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. Unless contrary information exists, investments in obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk.

The fixed income investments of the Police Pension Trust Fund, totaling \$19,029,937 as of December 31, 2020, had the following credit quality ratings:

	Market Value 12/31/20	Credit Quality Distribution - Standard & Poor's / Moody's				
		AAA/ Aaa	AA/ Aa	A/ A	BBB/ Baa	Other
PGIM Total Return Bond Fund	\$ 6,001,021	34.2%	7.2%	14.3%	21.0%	23.3%
Baird Core Plus Bond Fund	5,063,013	41.7%	3.7%	17.4%	29.8%	7.4%
Voya Intermediate Bond Fund	3,203,725	41.4%	3.8%	14.2%	22.8%	17.8%
Doubleline Core Fixed Income Fund	2,445,467	42.0%	5.0%	14.9%	16.3%	21.8%
iShares 5-10 Year IG Corporate Bond ETF	1,165,483	0.7%	5.3%	38.5%	54.8%	0.7%
iShares J.P. Morgan USD Emerging Markets Bond EFT	598,095	8.0%	13.2%	35.2%	16.5%	27.1%
iShares iBoxx \$ High Yield Bond EFT	<u>553,133</u>	0.0%	0.0%	0.0%	0.6%	99.4%
Total Fixed Income Investments - Police Pension Trust Fund	<u>\$ 19,029,937</u>					

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 3 Investments (Continued)

*Credit Risk (Continued)*

The fixed income investments of the Non-Uniformed Employees' Pension Trust Fund, totaling \$12,019,955 as of December 31, 2020, had the following credit quality ratings:

	Market Value 12/31/20	Credit Quality Distribution - Standard & Poor's / Moody's				
		AAA/ Aaa	AA/ Aa	A/ A	BBB/ Baa	Other
PGIM Total Return Bond Fund	\$ 3,802,142	34.2%	7.2%	14.3%	21.0%	23.3%
Baird Core Plus Bond Fund	3,202,516	41.7%	3.7%	17.4%	29.8%	7.4%
Voya Intermediate Bond Fund	2,023,675	41.4%	3.8%	14.2%	22.8%	17.8%
Doubleline Core Fixed Income Fund	1,550,673	42.0%	5.0%	14.9%	16.3%	21.8%
iShares 5-10 Year IG Corporate Bond ETF	707,434	0.7%	5.3%	38.5%	54.8%	0.7%
iShares J.P. Morgan USD Emerging Markets Bond EFT	380,648	8.0%	13.2%	35.2%	16.5%	27.1%
iShares iBoxx \$ High Yield Bond EFT	352,867	0.0%	0.0%	0.0%	0.6%	99.4%
Total Fixed Income Investments - Non-Uniform Employees' Pension Trust Fund	<u>\$12,019,955</u>					

The investments of the Deferred Retirement Option Plan (DROP) Trust Fund and the Deferred Compensation Fund are self-directed by the plans' participants, and therefore no disclosures regarding credit risk are provided in these financial statements.

*Concentration of Credit Risk*

The following investments comprised at least 5% of the total plan assets of the Police Pension Trust Fund as of December 31, 2020.

	Market Value 12/31/20
Vanguard Total Stock Market Index Fund	\$ 17,777,444
PGIM Total Return Bond Fund	6,001,021
Baird Core Plus Bond Fund	5,063,013
Vanguard Total International Stock Index Fund Admiral Shares	3,736,116
Voya Intermediate Bond Fund	3,203,725
Harding Loevner International Equity	2,723,198

The following investments comprised at least 5% of the total plan assets of the Deferred Retirement Option Plan (DROP) Trust Fund as of December 31, 2020.

	Market Value 12/31/20
Vantagepoint PLUS Fund	\$ 971,812
Vantagepoint Milestone 2035	169,690

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 3 Investments (Continued)

*Concentration of Credit Risk (Continued)*

The following investments comprised at least 5% of the total plan assets of the Non-Uniform Employees' Pension Plan as of December 31, 2020.

	Market Value <u>12/31/20</u>
Vanguard Total Stock Market Index Fund	\$ 10,234,171
PGIM Total Return Bond Fund	3,386,951
Baird Core Plus Bond Fund	2,850,869
Vanguard Total International Stock Index Admiral Shares	2,166,662
Voya Intermediate Bond Fund	1,807,772

The following investments comprised at least 5% of Deferred Compensation Plan assets as of December 31, 2020.

	Market Value <u>12/31/20</u>
Vantagepoint PLUS Fund	\$ 2,233,164
Vantagepoint MP Long-Term Growth Fund	897,098
Vantagepoint Broad Market Index Fund	890,701
Vantagepoint Milestone 2020	773,352
Vantagepoint Growth Fund	583,193
Vantagepoint Core Bond Index Fund	565,066

Summary

Cash, cash equivalents, and investments of the Township and its component units were reported as follows as of December 31, 2020:

	Governmental Activities and Funds	Business- Type Activities and Funds	Fiduciary Funds	Total Primary Government	Component Units
Cash and Cash Equivalents	\$ 893,968	\$ 860,363	\$ 2,909,506	\$ 4,663,837	\$ 1,716,879
Investments	-	-	129,319,698	129,319,698	2,093,439
Equity in Pooled Cash and Investments	17,224,636	3,726,298	450,000	21,400,934	21,166
Total	\$ 18,118,604	\$ 4,586,661	\$ 132,679,204	\$ 155,384,469	\$ 3,831,484
Total Cash and Cash Equivalents				\$ 19,653,771	\$ 1,738,045
Total Investments				135,730,698	2,093,439
Total				\$ 155,384,469	\$ 3,831,484

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 3 Investments (Continued)

The Township has not formally adopted deposit and investment policies that limit the government's allowable deposits or investments and addresses the specific types of risk to which the government is exposed. However, the Township complies with the First Class Township Act of Pennsylvania.

Note 4 Taxes Receivable

Taxes receivable on the Statement of Net Position and the Balance Sheet – Governmental Funds on December 31, 2020 consists of the following:

Earned Income Tax	\$ 2,040,000
Local Services Tax	280,000
Solid Waste Tax	318,724
Real Estate Transfer Taxes	107,364
Real Estate Taxes	<u>27,149</u>
Total	<u><u>\$ 2,773,237</u></u>

*Presentation in Government-Wide Financial Statements*

Since all taxes receivable as of December 31, 2020 are deemed collectible, the entire balance of \$2,773,237 is reported as Taxes Receivable on the Statement of Net Position.

*Presentation in Fund Financial Statements*

Since earned income taxes and local services taxes collected beyond sixty days of year-end do not represent current financial resources, the related receivables are offset by an amount reported as deferred inflows of resources on the Balance Sheet – Governmental Funds. Accordingly, included in deferred inflows of resources is earned income and local services taxes receivable expected to be collected beyond sixty days of year-end, totaling \$409,461.

Note 5 Other Receivables

*Governmental Activities and Funds*

Other receivables totaling \$245,707 include the following:

Professional Services	\$ 168,168
CATV Franchise Fees	<u>77,539</u>
Total	<u><u>\$ 245,707</u></u>

Other receivables have been classified in the government-wide Statement of Net Position and the Balance Sheet – Governmental Funds as current assets.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 5 Other Receivables (Continued)

*Business-Type Activities and Sewer Revenue and Reserve Fund*

Other receivables totaling \$843,908 represent sewer rents receivable.

Note 6 Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2020 was as follows:

	Balance - 1/1/2020	Additions	Disposals	Balance - 12/31/2020
<u>Governmental Activities:</u>				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 4,997,032	\$ -	\$ -	\$ 4,997,032
Construction in progress	-	530,175	-	530,175
<u>Total Capital Assets Not Being Depreciated</u>	<u>4,997,032</u>	<u>530,175</u>	<u>-</u>	<u>5,527,207</u>
<u>Capital Assets Being Depreciated:</u>				
Buildings	2,575,610	-	-	2,575,610
Improvements	5,503,508	42,350	-	5,545,858
Machinery and equipment	9,729,228	839,155	-	10,568,383
Infrastructure	567,359,932	291,119	-	567,651,051
<u>Totals at Estimated Historical Cost</u>	<u>585,168,278</u>	<u>1,172,624</u>	<u>-</u>	<u>586,340,902</u>
<u>Less Accumulated Depreciation:</u>				
Buildings	(1,532,374)	(42,010)	-	(1,574,384)
Improvements	(989,283)	(142,658)	-	(1,131,941)
Machinery and equipment	(7,539,036)	(584,990)	-	(8,124,026)
Infrastructure	(558,841,583)	(1,189,949)	-	(560,031,532)
<u>Total Accumulated Depreciation</u>	<u>(568,902,276)</u>	<u>(1,959,607)</u>	<u>-</u>	<u>(570,861,883)</u>
<u>Capital Assets Being Depreciated, Net</u>	<u>16,266,002</u>	<u>(786,983)</u>	<u>-</u>	<u>15,479,019</u>
<u>Governmental Activities Capital Assets, Net</u>	<u>\$ 21,263,034</u>	<u>\$ (256,808)</u>	<u>\$ -</u>	<u>\$ 21,006,226</u>
<u>Business-type Activities:</u>				
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 930,002	\$ -	\$ -	\$ 930,002
<u>Total Capital Assets Not Being Depreciated</u>	<u>930,002</u>	<u>-</u>	<u>-</u>	<u>930,002</u>
<u>Capital Assets Being Depreciated:</u>				
Buildings	10,959,904	-	-	10,959,904
Improvements	2,671,514	933,928	-	3,605,442
Machinery and Equipment	478,415	-	-	478,415
Infrastructure	7,135,677	360,468	-	7,496,145
<u>Totals at Estimated Historical Cost</u>	<u>21,245,510</u>	<u>1,294,396</u>	<u>-</u>	<u>22,539,906</u>
<u>Less Accumulated Depreciation:</u>				
Buildings	(4,769,270)	(243,552)	-	(5,012,822)
Improvements	(381,542)	(154,614)	-	(536,156)
Machinery and Equipment	(293,661)	(24,252)	-	(317,913)
Infrastructure	(4,219,248)	(92,414)	-	(4,311,662)
<u>Total Accumulated Depreciation</u>	<u>(9,663,721)</u>	<u>(514,832)</u>	<u>-</u>	<u>(10,178,553)</u>
<u>Capital Assets Being Depreciated, Net</u>	<u>11,581,789</u>	<u>779,564</u>	<u>-</u>	<u>12,361,353</u>
<u>Business-type Activities Capital Assets, Net</u>	<u>\$ 12,511,791</u>	<u>\$ 779,564</u>	<u>\$ -</u>	<u>\$ 13,291,355</u>



**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 6 Capital Assets (Continued)

Depreciation was charged to government activities as follows:

General Government	\$	152,918
Public Safety		186,256
Public Works		1,441,692
Culture and Recreation		178,741
Total Depreciation Expense	\$	1,959,607

Capital asset activity for the discretely presented component units for the year ended December 31, 2020 was as follows:

	Balance - 1/1/2020	Additions	Disposals	Balance - 12/31/2020
<u>Harmonville Fire Company and Plymouth Fire Company:</u>				
Land	\$ 140,001	\$ -	\$ -	\$ 140,001
Buildings and Improvements	2,318,878	118,463	-	2,437,341
Machinery and Equipment	7,753,680	110,838	-	7,864,518
Deposit on Capital Assets	-	68,609	-	68,609
	10,212,559	297,910	-	10,510,469
Totals at Historical Cost				
Less Accumulated Depreciation:				
Buildings and Improvements	(1,361,309)	(63,544)	-	(1,424,853)
Machinery and Equipment	(4,558,603)	(459,611)	-	(5,018,214)
	(5,919,912)	(523,155)	-	(6,443,067)
	Total Accumulated Depreciation			
Component Unit Capital Assets, Net	\$ 4,292,647	\$ (225,245)	\$ -	\$ 4,067,402

Note 7 Unearned Revenue

*Governmental Activities and Funds*

Unearned revenue of \$25,000 represents rental income collected in advance (see Note 18).

*Business-type Activities and Proprietary Funds*

Unearned revenue of \$26,000 represents membership fees collected by the Greater Plymouth Community Center for membership periods that extend beyond December 31, 2020.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 8 Deferred Outflows of Resources

*Government-Wide Financial Statements*

As described in Note 14, as of December 31, 2020, the Township reported deferred outflows of resources totaling \$2,027,653 for the net difference between expected and actual experience and changes in assumptions related to the pension plans. In addition, as described in Note 16, as of December 31, 2020, the Township reported deferred outflows of resources totaling \$1,411,417 for changes in assumptions related to other post-employment benefits.

Note 9 Deferred Inflows of Resources

*Government-Wide Financial Statements*

As described in Note 14, as of December 31, 2020, the Township reported deferred inflows of resources totaling \$9,765,466 for the net difference between projected and actual investment earnings, expected and actual experience, and changes in assumptions related to the pension plans. In addition, as described in Note 16, as of December 31, 2020, the Township reported deferred inflows of resources totaling \$20,500,422 for differences between projected and actual earnings, differences between expected and actual experience, and changes in assumptions related to other post-employment benefits.

*Fund Financial Statements*

Deferred inflows of resources on the Balance Sheet – Governmental Funds, totaling \$409,461 as of December 31, 2020, represent earned income taxes and local service taxes receivable that do not represent available spendable financial resources as of December 31, 2020.

Note 10 Long-Term Debt

The reporting entity's long-term debt is segregated between the amounts to be repaid from governmental activities, amounts to be repaid from business-type activities, and amounts to be repaid by the discretely presented component units.

A. Governmental Activities

Long-term debt as of December 31, 2020 consisted of accrued compensated absences and the Township's net pension liability and net other post-employment benefits liability.

In 2015, the Township issued a \$799,278 promissory note payable to the County of Montgomery for the financing of emergency radio equipment. Harmonville Fire Company, Plymouth Fire Company, and Plymouth Community Ambulance Association had agreed to reimburse the Township \$330,897 for their shares of the total costs over a five-year period. The Township made the last of five debt payments and collected the remaining payments due from the fire companies and the Ambulance Association during 2020.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 10 Long-Term Debt (Continued)

B. Business-type Activities

As of December 31, 2020, there is no long-term debt attributable to business-type activities.

C. Component Units

*Harmonville Fire Company*

On October 15, 2018, Harmonville Fire Company entered into a loan contract in the total principal amount of \$300,000 for the purchase of a rescue vehicle. The loan contract calls for 15 annual payments of \$27,877, including interest of 4.47%, beginning on October 15, 2018 and ending on October 15, 2033. Harmonville Fire Company has the sole option to adjust the interest rate for contract payments 6 through 10, and 11 through 15, at a rate that is 300 basis points above the five-year U.S. Treasury Note rate. Required future payments are scheduled as follows:

<u>Year</u>	<u>Total Payment</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 27,877	\$ 15,789	\$ 12,088
2022	27,877	16,495	11,382
2023	27,877	17,232	10,645
2024	27,877	18,002	9,875
2025	27,877	18,807	9,070
2026 - 2030	139,385	107,421	31,964
2031 - 2033	<u>83,631</u>	<u>76,674</u>	<u>6,957</u>
Totals	<u>\$ 362,401</u>	<u>\$ 270,420</u>	<u>\$ 91,981</u>

*Plymouth Fire Company*

On November 15, 2017, Plymouth Fire Company entered into a loan contract in the total principal amount of \$364,450 for the purchase of a truck that was delivered in 2018. The loan contract calls for 15 annual payments of \$31,756, including interest of 3.55%, beginning on November 15, 2018 and ending on November 15, 2032. Plymouth Fire Company has the sole option to adjust the interest rate for contract payments 6 through 10, and 11 through 15, at a rate that is 250 basis points above the five-year U.S. Treasury Note rate. Required future payments are scheduled as follows:

<u>Year</u>	<u>Total Payment</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 31,756	\$ 20,894	\$ 10,862
2022	31,756	21,636	10,120
2023	31,756	22,404	9,352
2024	31,756	23,199	8,557
2025	31,756	24,023	7,733
2026 - 2030	158,780	133,529	25,251
2031 - 2032	<u>63,512</u>	<u>60,283</u>	<u>3,229</u>
Totals	<u>\$ 381,072</u>	<u>\$ 305,968</u>	<u>\$ 75,104</u>

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 10 Long-Term Debt (Continued)

D. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended December 31, 2020:

	Balance - 1/1/2020	Additions	Deductions	Balance - 12/31/2020	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Promissory Note Payable	\$ 159,855	\$ -	\$ 159,855	\$ -	\$ -
Compensated Absences	359,817	14,493	-	374,310	-
Net Other Post-Employment Benefits Liability	6,396,924	-	4,667,232	1,729,692	-
Net Pension Liability (Asset)	<u>(1,872,406)</u>	<u>-</u>	<u>7,836,762</u>	<u>(9,709,168)</u>	<u>-</u>
Total	<u>\$ 5,044,190</u>	<u>\$ 14,493</u>	<u>\$ 12,663,849</u>	<u>\$ (7,605,166)</u>	<u>\$ -</u>
<u>Component Units:</u>					
<i>Harmonville Fire Company</i>					
Loan Contract	\$ 285,534	\$ -	\$ 15,114	\$ 270,420	\$ 15,789
<i>Plymouth Fire Company</i>					
Loan Contract	<u>326,146</u>	<u>-</u>	<u>20,178</u>	<u>305,968</u>	<u>20,894</u>
Total	<u>\$ 611,680</u>	<u>\$ -</u>	<u>\$ 35,292</u>	<u>\$ 576,388</u>	<u>\$ 36,683</u>

Note 11 Interfund Transfers

A. Transfer from the Sewer Fund to the General Fund

During the year ended December 31, 2020, the Township transferred \$268,466 from the Sewer Fund to the General Fund to reimburse the General Fund for costs incurred such as salaries, benefits, and other operating costs.

*Presentation in Government-Wide Financial Statements*

The transfer is included in the Statement of Activities as a transfer between governmental activities and business-type activities.

*Presentation in Fund Financial Statements*

The transfer is included in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds as Other Financing Sources, and is included in the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds as a Transfer Out.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 11 Interfund Transfers (Continued)

B. Transfer from the General Fund to the Greater Plymouth Community Center

During the year ended December 31, 2020, the Township transferred \$1,569,899 from the General Fund to the Greater Plymouth Community Center to subsidize its operations.

*Presentation in Government-Wide Financial Statements*

This transfer is included in the Statement of Activities as transfers between governmental activities and business-type activities.

*Presentation in Fund Financial Statements*

The transfer is reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds as Other Financing Uses, and is included in the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds as Transfers In.

C. Transfer from the Capital Reserve Fund to the Greater Plymouth Community Center

During the year ended December 31, 2020, the Township transferred \$933,927 from the Capital Reserve Fund to the Greater Plymouth Community Center for capital asset additions.

*Presentation in Government-Wide Financial Statements*

This transfer is included in the Statement of Activities as transfers between governmental activities and business-type activities.

*Presentation in Fund Financial Statements*

The transfer is reflected in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds as Other Financing Uses, and is included in the Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds as Transfers In.

D. Transfer from the Greater Plymouth Community Center to the Health and Welfare Fund

During the year ended December 31, 2020, the Township transferred \$448,976 from the Greater Plymouth Community Center to the Health and Welfare Fund for the cost of life insurance, health insurance, and related benefits provided to employees.

*Presentation in Government-Wide Financial Statements*

This transfer is included in the Statement of Activities as transfers between governmental activities and business-type activities.

*Presentation in Fund Financial Statements*

This transfer is reflected in the Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds as Transfers Out, and is included in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds as Transfers In.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 11 Interfund Transfers (Continued)

E. Other Transfers

In addition, the following interfund transfers between governmental funds are reflected on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, but have been eliminated in the presentation of the government-wide Statement of Activities:

<u>Transferred From</u>	<u>Transferred To</u>	<u>Purpose</u>	<u>Amount</u>
General Fund	Capital Reserve Fund	Future capital needs of Harmonville and Plymouth fire companies	\$ 200,000
General Fund	Health and Welfare Fund	Life insurance, health insurance, and related benefits	3,664,024

Note 12 Contributions to Component Units

During the year ended December 31, 2020, the Township made cash donations totaling \$512,000 to Harmonville Fire Company and \$376,185 to Plymouth Fire Company.

*Presentation in Government-Wide Financial Statements*

In the Statement of Activities, the contributions to the fire companies are included in Public Safety expenses of the Governmental Activities of the primary government and are included in Operating Grants and Contributions of the fire companies.

*Presentation in Fund Financial Statements*

In the Statement of Revenues, Expenditures, and Changes of Fund Balances – Governmental Funds, the contributions to the fire companies are included in Public Safety expenditures of the General Fund.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 13 Employee Benefits

Expenses for employee benefits are not allocated by function for governmental activities and related funds, but instead are shown as a separate function under the caption “Employee Benefits”; expenses for employee benefits for business-type activities and related funds are included in operating expenses. The following is a summary of these expenditures/expenses for 2020:

Governmental Funds and Governmental Activities

General Fund

Social security tax	\$ 942,021
Police pension contribution	1,582,745
Non-uniformed employee pension contribution	870,366
	3,395,132

Health and Welfare Fund

Medical, life, and disability insurance	4,433,382
Other	7,000
	4,440,382

<u>Total Expenditures Presented in Governmental Fund Financial Statements</u>	7,835,514
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Additional (Reduction in) Pension Expense Recognized in Accordance with GASB Statement No. 68 (Note 14):

Police pension plan	(2,073,823)
Non-uniform employees' pension plan	(871,361)

(Reduction in) Other Post-Employment Benefits Recognized in Accordance with GASB Statement No. 75 (Note 16)

(3,742,417)

<u>Total Expenses for Governmental Activities Presented in Government-Wide Financial Statements</u>	\$ 1,147,913
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Proprietary Funds and Business-Type Activities

Expenditures Included in Operating Expenses in Proprietary Fund (Greater Plymouth Community Center Fund) and Business-Type Activities:

Non-Uniformed Employee Pension Contribution	\$ 130,983
Medical Insurance	448,976
	448,976

<u>Total Expenses for Proprietary Fund and Business-Type Activities</u>	\$ 579,959
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**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions

A. Plan Descriptions

The Township administers two single employer defined benefit pension plans: The Police Pension Plan and the Non-Uniformed Employees' Pension Plan. These plans cover all full-time employees and provide retirement benefits to members. Plan provisions are established by Township ordinance with the authority for contributions required by Act 205 of the Commonwealth of Pennsylvania (the "Commonwealth").

As of December 31, 2020, the number of participants in each plan was as follows:

	<u>Police</u>	<u>Non-Uniformed Employees</u>
Participants		
Active Participants	44	73
Non-active Participants	<u>39</u>	<u>65</u>
Totals	<u><u>83</u></u>	<u><u>138</u></u>

B. Eligibility Requirements

*Police Pension Plan*

Each member of the police force of the Township is covered by the Police Pension Plan. The Normal Retirement Date is the last day of the month in which the member attains age 52 and completes 25 years of service. A member may elect to retire early if he or she completes 20 years of service, but before his or her Normal Retirement Date (other than for death or permanent disability). Each member, who leaves the service of the Township for any reason after 12 years of continuous service but before he or she is entitled to either Early or Normal Retirement, will receive a vested Accrued Monthly Pension based on service and Average Monthly Earnings at date of termination, payable at his or her Normal Retirement Date.

*Non-uniformed Employees' Pension Plan*

All full-time employees of the Township, except for participants of the police force, are covered by the Non-Uniformed Employees' Pension Plan. The Normal Retirement Date is the last day of the month in which the member attains age 62 and completes 5 years of service. A member may elect to retire early if he or she attains age 50 and completes 10 years of service. Each member who leaves the service of the Township for any reason before he or she is entitled to either Early or Normal Retirement will receive a vested Accrued Monthly Pension based on service and Average Monthly Earnings at date of termination, payable at age 62 if he or she has completed at least 5 years of service with the Township.



**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

C. Retirement Benefits

*Police Pension Plan*

The Police Pension Plan provides normal retirement benefits, early retirement benefits, job-related disability benefits, and survivor benefits. In addition, the Police Pension Plan provides for Deferred Retirement Option Plan (DROP) benefits, whereby any police officer who has completed 25 years of Credited Service and attained age 52 may enter into a DROP arrangement. Such an arrangement may run no less than 12 months and no more than 60 months.

If a member's employment with the Township is terminated before Normal Retirement Date (other than by disability or vested termination), the member shall receive a lump sum amount equal to the member's aggregate contributions plus interest at a rate of 4% per year.

*Non-Uniformed Employees' Pension Plan*

The Non-Uniformed Employees' Pension Plan provides normal retirement benefits, early retirement benefits, job-related disability benefits, and survivor benefits.

D. Summary of Significant Accounting Policies

*Fiduciary Fund*

The pension plans utilize the accrual basis of accounting. The pension plans are reflected as fiduciary funds in these financial statements; however, separate financial statements for the pension plans are not issued. Employer contributions are recognized when due as required by Act 205 of the Commonwealth. Benefits and refunds are recognized when due and payable in accordance with the terms of the plans.

*Governmental Fund Financial Statements*

Governmental funds utilize the modified accrual basis of accounting. Employer contributions are recognized when due as required by Act 205 of the Commonwealth.

*Government-Wide Financial Statements*

The Township complies with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. In accordance with GASB Statement No. 68, the Township reports its net pension liability in the Statement of Net Position.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

D. Summary of Significant Accounting Policies (Continued)

*Investments*

Investments are reported at fair market value. Securities traded on national exchanges are valued at the last reported sales price. Investments of the pension funds are represented by specific identifiable investment securities classified as to credit risk by the three categories described below:

*Category 1* – Insured or registered, or securities held by the Pension Fund or its agent in the Pension Fund’s name.

*Category 2* – Uninsured and unregistered, with securities held by the counterparty’s trust department or agent in the Pension Fund’s name.

*Category 3* – Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, but not in the Pension Fund’s name.

The investments of the pension funds consist of mutual funds, representing “category 3” investments.

E. Plan Investments

*Summary by Type*

Investments held as of December 31, 2020 are summarized as follows:

	Police Pension Trust Fund	Deferred Retirement Option Plan	Non-Uniformed Employees' Pension Trust Fund
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Mutual Funds - Stable Value	\$ -	\$ 971,812	\$ -
Mutual Funds - Fixed Income	19,029,938	108,949	12,019,955
Mutual Funds - Balanced/Asset Allocation	-	184,273	-
Mutual Funds - Equity	34,102,912	298,366	21,560,532
Other	-	14,266	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total	<u>\$ 53,132,850</u>	<u>\$ 1,577,666</u>	<u>\$ 33,580,487</u>

Current yields on the fixed income mutual funds range from 2.56% to 4.88%.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

E. Plan Investments (Continued)

*Concentration of Credit Risk*

The following investments comprised at least 5% of the total plan assets of the Police Pension Trust Fund as of December 31, 2020.

	Market Value <u>12/31/20</u>
Vanguard Total Stock Market Index Fund	\$ 17,777,444
PGIM Total Return Bond Fund	6,001,021
Baird Core Plus Bond Fund	5,063,013
Vanguard Total International Stock Index Fund Admiral Shares	3,736,116
Voya Intermediate Bond Fund	3,203,725
Harding Loevner International Equity	2,723,198

The following investments comprised at least 5% of the total plan assets of the Deferred Retirement Option Plan (DROP) Trust Fund as of December 31, 2020.

	Market Value <u>12/31/20</u>
Vantagepoint PLUS Fund	\$ 971,812
Vantagepoint Milestone 2035	169,690

*Concentrations – Non-uniform Employees’ Pension Plan*

The following investments comprised at least 5% of the total plan assets of the Non-Uniform Employees’ Pension Plan as of December 31, 2020.

	Market Value <u>12/31/20</u>
Vanguard Total Stock Market Index Fund	\$ 10,234,171
PGIM Total Return Bond Fund	3,386,951
Baird Core Plus Bond Fund	2,850,869
Vanguard Total International Stock Index Admiral Shares	2,166,662
Voya Intermediate Bond Fund	1,807,772

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

E. Plan Investments (Continued)

*Rate of Return*

For the year ended December 31, 2020, the annual money-weighted rate of return on the Police Pension Plan investments was 16.45%. For the year ended December 31, 2020, the annual money-weighted rate of return on the Non-Uniform Employee's Pension Plan was 16.52%. The money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested.

Administrative costs, including investment services, custodial, trustee, and actuarial services are charged to the appropriate plan and funded from investment earnings.

F. Contributions and Funding Policy

Act 205 of the Commonwealth requires that annual contributions be based upon the Minimum Municipal Obligation (MMO). The MMO is based upon the plan's biennial actuarial valuation. The State provides an allocation of funds that must be used for pension funding. Any financial requirement established by the MMO which exceeds the State and employee contributions must be funded by the employer in accordance with Act 205.

Contributions to the Police Pension Trust Fund for 2020 totaled \$1,169,143 from the Township and \$413,602 from the Commonwealth (together totaling \$1,582,745), as well as \$234,361 from employees. Contributions to the Deferred Retirement Option Plan (DROP) Trust Fund for 2020 totaled \$170,843 from employees. Contributions to the Non-Uniformed Employees' Pension Plan for 2020 totaled \$622,214 from the Township and \$379,135 from the Commonwealth (together totaling \$1,001,349), as well as \$220 from employees. The components of the MMO for 2020 are as follows:

	<u>Police Pension Plan</u>	<u>Non-Uniformed Employees' Pension Plan</u>
Normal Cost	\$ 1,311,302	\$ 729,197
Administrative Expenses	135,400	84,900
Amortization Requirement	298,199	187,252
Funding Adjustment		
Less: Estimated Employee Contributions	<u>(162,156)</u>	<u>-</u>
2020 Minimum Municipal Obligation	<u>\$ 1,582,745</u>	<u>\$ 1,001,349</u>

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

G. Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liabilities were measured as of December 31, 2020, and the total pension liability was determined by rolling forward the liabilities from an actuarial valuation as of January 1, 2019. No significant events or changes in assumptions occurred between the valuation date and the fiscal year end. The components of the changes in the total pension liability, plan fiduciary net position, and net pension liability of the Police Pension Plan for the year ended December 31, 2020 are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Service Cost	\$ 1,491,215	\$ -	\$ 1,491,215
Interest on Total Pension Liability	3,071,427	-	3,071,427
Changes in Assumptions	(99,003)	-	(99,003)
Difference between Expected and Actual Experience	1,717	-	1,717
Contributions - Township and State Aid	-	1,582,745	(1,582,745)
Contributions - Employees	-	234,361	(234,361)
Net Investment Income	-	7,610,376	(7,610,376)
Benefit Payments	(1,653,393)	(1,652,853)	(540)
Administrative Expenses	-	(123,981)	123,981
Net Changes	2,811,963	7,650,648	(4,838,685)
<u>Balances as of December 31, 2019</u>	<u>44,704,232</u>	<u>46,694,505</u>	<u>(1,990,273)</u>
<u>Balances as of December 31, 2020</u>	<u>47,516,195</u>	<u>54,345,153</u>	<u>(6,828,958)</u>
<u>DROP Balance as of December 31, 2020</u>	<u>1,577,666</u>	<u>1,577,666</u>	<u>-</u>
<u>Totals as of December 31, 2020</u>	<u>\$ 49,093,861</u>	<u>\$ 55,922,819</u>	<u>\$ (6,828,958)</u>

The components of the changes in the total pension liability, plan fiduciary net position, and net pension liability of the Non-Uniformed Employees' Pension Plan for the year ended December 31, 2020 are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Service Cost	\$ 796,056	\$ -	\$ 796,056
Interest on Total Pension Liability	2,040,453	-	2,040,453
Changes in Assumptions	(88,367)	-	(88,367)
Difference between Expected and Actual Experience	1,134	-	1,134
Contributions - Township and State Aid	-	1,001,349	(1,001,349)
Contributions - Employees	-	220	(220)
Net Investment Income	-	4,829,002	(4,829,002)
Benefit Payments	(834,775)	(834,775)	-
Administrative Expenses	-	(83,218)	83,218
Net Changes	1,914,501	4,912,578	(2,998,077)
<u>Balances as of December 31, 2019</u>	<u>29,566,710</u>	<u>29,448,843</u>	<u>117,867</u>
<u>Balances as of December 31, 2020</u>	<u>\$31,481,211</u>	<u>\$34,361,421</u>	<u>\$ (2,880,210)</u>

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

G. Net Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

In the government-wide financial statements for the year ended December 31, 2020, the Township recognized pension expense totaling \$(544,409) for the Police Pension Plan and \$129,988 for the Non-Uniformed Employees' Pension Plan. As of December 31, 2020, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net Difference between Projected and Actual Investment Earnings	\$ -	\$ 8,491,923
Net Difference between Expected and Actual Experience	13,977	969,486
Changes of Assumptions	<u>2,013,676</u>	<u>304,057</u>
Totals	<u>\$ 2,027,653</u>	<u>\$ 9,765,466</u>

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

<u>Year Ended December 31</u>	<u>Amount</u>
2021	\$ (2,478,004)
2022	(1,014,942)
2023	(2,802,294)
2024	<u>(1,442,573)</u>
	<u>\$ (7,737,813)</u>

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

H. Actuarial Assumptions

In accordance with regulations under Act 205 of 1984, all actuarial assumptions are selected jointly by the actuary and the governing body of the pension plan. Significant actuarial assumptions are presented below.

	<u>Police Pension</u>	<u>Non-Uniformed Employees Pension</u>
Actuarial Valuation Date	1/1/19	1/1/19
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Dollar Open	Level Dollar Open
Remaining Amortization Period	4 Years	9 Years
Asset Valuation Method	Adjusted Market Basis	Adjusted Market Basis
Investment Rate of Return	7.00%	7.00%
Projected Salary Increase	5.00%	4.00%
Inflation	3.00%	3.00%
Cost-of-living Adjustment	3.00%	3.00%
Retirement Age	Normal retirement age or at attained age plus 1 year, if later	Normal retirement age or at attained age plus 1 year, if later
Mortality Rates	Pub-2010 Safety Amount - Weighted Mortality Tables (Employee, Retiree, Contingent Survivor, and Disabled Retiree tables as applicable), projected from 2010 with Mortality Improvement Scale MP-	Pub-2010 General Amount - Weighted Mortality Tables (Employee, Retiree, Contingent Survivor, and Disabled Retiree tables as applicable), projected from 2010 with Mortality Improvement Scale MP-

Actuarial assumptions are based on experience with pension plans statewide and standard nationwide mortality tables. Due to the size of the plan, actuarial experience studies are not considered credible and are not performed for the plan.

*Discount Rate*

The discount rate used to measure the total pension liability was 7% for the Police Pension Plan and 7% for the Non-Uniformed Employees' Pension Plan and is based on the long-term expected return on assets given the Plans' asset allocation and investment policies as of December 31, 2020. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plans' 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.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 14 Employee Pensions (Continued)

H. Actuarial Assumptions

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate*

The following presents the net pension liability of the pension plans, calculated using the discount rate of 7%, as well as what the net pension liabilities would be if it were calculated using a discount rate that is 1-percentage-point lower (6%) or 1-percentage-point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability (Surplus):			
Police Pension	\$ (517,549)	\$ (6,828,959)	\$ (12,048,880)
Non-uniformed Employees Pension	970,251	(2,880,210)	(6,104,550)

Note 15 Deferred Compensation Fund

The Township offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all Township employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unexpected emergency. The plan is administered by ICMA Retirement Corporation.

The Township has a fiduciary responsibility and must exercise due care as required of any other ordinary prudent investor.

Note 16 Post-Retirement Benefit Plan

The Township provides post-retirement health care insurance to employees who retire from the Township who meet certain minimum age and service requirements. During 2003, the Township established the Post-Retirement Healthcare Fund (a fiduciary fund) to help fund future health insurance premiums for retired employees.

GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*, requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially-determined expense on the statement of activities when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefits. The post-employment benefit liability is recognized on the statement of net position over time.



**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 16 Post-Retirement Benefit Plan (Continued)

A. Plan Description

The Plan is a single employer defined benefit plan for which the provisions are established by Township ordinance. The Plan does not issue a stand-alone financial report. As of January 1, 2021, the following employees were covered by the benefit terms:

Active Participants	119
Retirees and Covered Spouses	73
Total	192

The following is a summary of plan benefits:

*Eligibility*

- *Police*: Age 52 with 25 or more years of service.
- *Non-uniformed union employees*: age 60 with 10 or more years of service, or age plus service equals 80
- *Non-uniformed non-union employees*: age 60 with 10 or more years of service, or age plus service equals 80 for employees hired prior to July 1, 2011; age 60 with 25 years of service for employees hired after June 30, 2011.

*Healthcare Benefits – Police and Non-Uniformed Employees*

- *Pre-Medicare eligibility*: For police and other employees hired before March 1, 2016: Medical – Aetna PPO \$15/\$30 Plan; Prescription Drug – Copays of \$15/\$25. For non-uniformed employees hired after March 1, 2016: Medical – Aetna PPO HRA \$2,000/\$4,000; Prescription Drug – Copays of \$10/\$30/\$50.
- *Post-Medicare eligibility*: Aetna Medicare Advantage Plan

*Duration of Healthcare Benefits*

- *Police*: Coverage will continue for the life of the retiree and spouse. Eligible dependent children are covered until age 26.
- *Non-uniformed employees*: For unionized retirees, coverage will continue for the life of the retiree, and spouse coverage continues to Medicare eligibility. Dependents are covered as long as they are eligible. For nonunionized retirees, coverage continues for the life of the retiree; spouse and dependent coverage is limited to the lesser of 2.5 months for every year of service or five years. There is an exception to this whereby one spouse of a non-unionized retiree is covered until the death of the retiree.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 16 Post-Retirement Benefit Plan (Continued)

A. Plan Description (Continued)

*Benefits upon Disability*

- *Police:* Police officers who are permanently disabled for non-work-related disability are not eligible for postretirement medical benefits. Any police officer who becomes permanently disabled due to a work-related disability pension, in addition to the officer and spouse, any children will continue to receive; benefits as long as they are eligible.
- *Non-uniformed employees:* Employees must be eligible for retirement benefits to receive coverage upon disability.

*Employee Contributions for Healthcare Coverage*

- *Police:* Police officers contribute 1% of their salary each year for post-retirement health care.
- *Non-uniformed employees:* None, except one Medicare eligible individual is required to contribute \$500 monthly towards the cost.

*Life Insurance Benefits*

- *Police:* The Township provides life insurance of \$50,000 for death before age 65, and \$15,000 for death after age 65.
- *Non-uniformed employees:* None

B. Funding Policy

Although the Township established the Post-Retirement Healthcare Fund (a fiduciary fund) to help fund future health insurance premiums for retired employees, the Plan is effectively financed on a pay-as-you-go basis. Health care insurance premiums are paid from the Township's Health and Welfare Fund (a governmental fund).

In the fund financial statements, expenditures for post-retirement health care benefits are recognized as the insurance premiums are incurred. In the government-wide financial statements, expenses for post-retirement health care benefits are recognized in the amount of the estimated increase in the net OPEB liability. The expenses/expenditures post-retirement health care benefits for governmental activities and related funds are included under the caption "Employee Benefits". The expenses for post-retirement health care benefits for business-type activities and related funds are included in operating expenses.

C. Total OPEB Liability

The Township's total OPEB liability of \$32,778,393 was measured as of December 31, 2020 and was determined by an actuarial valuation as of January 1, 2020.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 16 Post-Retirement Benefit Plan (Continued)

D. Actuarial Methods and Assumptions

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

*Actuarial Cost Method*

Individual Entry Age Normal as a level percentage of payroll.

*Discount Rate*

The discount rate of 7.46% reflects the long-term expected rate of return on OPEB plan investments that are expected to be used to finance the payment of benefits, and a yield or index rate for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher, to the extent that the conditions for use of the long-term expected rate of return are not met.

*Salary Increases*

5% for police officers and 4% for non-uniform employees.

*Price Inflation*

2.50%.

*Investment Rate of Return*

7.46%.

The Township's objective in selecting the expected long-term rate of return on assets is to estimate the single rate of return that reflect the historical returns, future expectations for each asset class, and the asset mix of the plan assets.

*Healthcare Cost Trend Rates*

The rates of change in per capita health claims costs over time as a result of factors such as medical inflation, utilization of healthcare services, plan design, and technological developments.

*Mortality Rates*

- *Police:* RPH-2014 Blue Collar Mortality Table (adjusted back to 2006) with generational projection using MP-2020.
- *Non-Uniformed:* RPH-2014 Blue Collar Mortality Table (adjusted back to 2006) with generational projection using MP-2020.
- *Disabled:* RPH-2014 Blue Collar Mortality Table (adjusted back to 2006) with generational projection using MP-2020.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 16 Post-Retirement Benefit Plan (Continued)

D. Actuarial Methods and Assumptions (Continued)

*Retirement*

- *Police*: 100% retire at age 52 or age that 25 years of service is attained, if later.
- *Non-Uniform*: 100% retire at age 60 or age that 10 years of service (25 years of service for those hired after June 30, 2011) is attained, if later.

*Actuarial Experience*

The assumptions are related to the past experience of the Plan and represent an estimate of anticipated experience under the Plan.

*Participant Data*

Participant data is based on information as of January 1, 2019.

E. Changes in the Net OPEB Liability

The components of the change in the total OPEB liability, plan fiduciary net position, and net OPEB liability of Plan for the year ended December 31, 2020 are as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Service cost	\$ 855,818	\$ -	\$ 855,818
Interest on total OPEB liability	2,447,153	-	2,447,153
Differences between expected and actual experience	(4,504,943)	-	(4,504,943)
Changes in assumptions	1,666,185	-	1,666,185
Projected earnings on fiduciary net position	-	1,965,527	(1,965,527)
Difference between projected and actual earnings	-	2,428,479	(2,428,479)
Contributions - employer	-	805,288	(805,288)
Net benefits paid by employer	(805,288)	(805,288)	-
Administrative expenses	-	(67,849)	67,849
Net Changes	(341,075)	4,326,157	(4,667,232)
Balances as of December 31, 2019	32,778,393	26,381,469	6,396,924
Balances as of December 31, 2020	<u>\$ 32,437,318</u>	<u>\$ 30,707,626</u>	<u>\$ 1,729,692</u>

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 16 Post-Retirement Benefit Plan (Continued)

F. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The January 1, 2019 valuation was prepared using a discount rate of 6.5%. The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.5%) or 1-percentage-point higher (7.5%) than the current discount rate:

	<u>1% Decrease</u> <u>(5.5%)</u>	<u>Discount</u> <u>Rate</u> <u>(6.5%)</u>	<u>1% Increase</u> <u>(7.5%)</u>
Total OPEB liability	\$ 6,218,702	\$ 1,729,692	\$ (1,938,530)

G. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The January 1, 2019 valuation was prepared using an initial trend rate of 7.5%, decreasing to 4.5%. The following presents the total OPEB liability of the Township, as well as what the Township's total OPEB liability would be, if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current</u> <u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB liability	\$ (2,221,462)	\$ 1,729,692	\$ 6,620,498

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2020, the Township recognized an OPEB expense (income) of \$(3,742,417). As of December 31, 2020, the Township reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Difference between projected and actual earnings	\$ -	\$ 2,567,366
Differences between expected and actual experience	-	10,118,403
Changes in assumptions	<u>1,411,417</u>	<u>7,814,653</u>
Totals	<u>\$ 1,411,417</u>	<u>\$ 20,500,422</u>

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 16 Post-Retirement Benefit Plan (Continued)

H. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

For the Year Ending June 30	Amount
2021	\$ (4,342,422)
2022	(4,342,422)
2023	(4,906,954)
2024	(4,011,225)
2025	(1,251,590)
Thereafter	(234,392)
Total	\$ (19,089,005)

Note 17 Lease Agreement – East Norriton-Plymouth-Whitpain Joint Sewer Authority

Under an agreement dated October 5, 1959, the East Norriton-Plymouth-Whitpain Joint Sewer Authority (the Authority) agreed to make its sewage treatment plant available to Plymouth Township. Each township will collect a sewage treatment charge from the users, which shall be at rates high enough to cover operating expenses, etc., plus certain specified safety margins. Payments to the Authority in 2020 totaled \$1,102,853 and are included in Sewage Collection and Treatment expenses of the Sewer Revenue and Reserve Fund.

Note 18 Lease of Baseball Field

The Township is the owner of certain real estate, which is referred to as the “Community Center Park.” The Township has constructed an expansion of the Community Center Park consisting of a new baseball field, new softball field, bandshell, parking lot, and other amenities. Effective January 14, 2002, the Township entered into a lease with Villanova University, whereby Villanova University will lease the new baseball field on a nonexclusive basis for a term of 20 years. Rental payments are due as follows: \$500,000 during the first year of the lease, and an additional \$100 per year over the term of the lease. Rental income is being recognized over the term of the lease on a straight-line basis. Deferred revenue totaling \$25,000 as of December 31, 2020 will be recognized as rental revenue in 2021.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 19 Commitments and Contingencies

*Grant Programs*

The Township participates in state and federally assisted grant programs including State Highway Aid. These programs are subject to program compliance audits by the grantors or their representatives. The Township is potentially liable for any expenditures that may be disallowed pursuant to the terms of these grant programs.

*Moyer Landfill Claim*

The Township, among others, had been named as a defendant in a class action lawsuit alleging personal injury and loss of property values due to the disposal of hazardous waste at the Moyer landfill site.

At its public meeting on June 10, 1996, Council adopted a resolution approving a Consent Decree to authorize participation in a settlement trust agreement and a contribution of up to \$200,000 of Township funds. As of December 31, 1996, Plymouth Township had contributed the full payment of \$200,000 toward their share of the Consent Decree. However, part of the settlement agreement required the construction of a Leachate Plant to handle the waste remediation, for which the Township would be responsible for contributing 13.73% of any additional cost of construction and operation of this plant if total cost exceeded the original contribution.

As stated in the Consent Decree, the United States and the Commonwealth of Pennsylvania agreed that by entering into and carrying out its terms, each settler resolved its liability to the United States and the Commonwealth for matters addressed therein and is entitled to protection from claims for contributions. However, the United States and the Commonwealth of Pennsylvania have no obligation to defend any of the settlers in any suit or claim for contribution.

The settlement agreement was amended because the Department of Environmental Protection (“DEP”) and the Environmental Protection Agency (“EPA”) decided that construction of the Leachate Plant was not necessary, and that they would accept instead a monetary settlement of \$600,000. The amendment to the trust included a mutual release of all participating parties. The Consent Decree has been approved by the EPA and the DEP. The Township approved the Amended Consent Decree on August 5, 2002.

During 2002, the Township received \$89,635 from the trust fund, representing the Township’s share of the balance of the trust fund after the \$600,000 settlement payment. In January 2003, the Township received a “final refund” of \$3,448, representing its share of the remaining balance of the Moyer Landfill Settlement Trust Fund.

In March 2004, an Amendment to the Agreement inserting a \$55,000,000 cost re-opener was accepted by the parties. Accordingly, the Settlement Agreement could be re-opened if future costs exceed that amount. The EPA and the Court have approved the Amendment, and the matter has been settled pursuant to the Amended Consent Decree.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 19 Commitments and Contingencies (Continued)

The Amended Consent Decree does not relieve the Township's liability for information not known by the EPA or the DEP. In addition, the United States and the Commonwealth of Pennsylvania reserve certain rights to bring future actions against the Township and others mentioned in the Decree. Council has advised management that the cost overrun re-opener provision is not expected to be triggered, if at all, in the near term; and that if and when it is triggered, the share of additional costs allocated to the group of Settlers which includes the Township could be as low as 10% of the total cost overrun. Management believes that, even if the re-opener provision is triggered, given the number of parties involved, it will not have a material impact on the Township.

*Property Tax Appeals*

The Township is also involved in various property tax appeals that are being vigorously defended. At this time, the liability to return taxes under appeal, if any, cannot be reasonably estimated.

*Public Entity Risk Pools*

The Township is a member of The Delaware Valley Workers' Compensation Trust (the "Trust") which is a regional intergovernmental risk sharing pool formed on January 1, 1992. Authority for the Trust is granted by the Pennsylvania Intergovernmental Cooperation Law and Pennsylvania Workers' Compensation Act as amended. The Trust offers a method of funding and paying medical and indemnity obligations due municipal employees under the Pennsylvania Workers' Compensation Act. The Trust is a regional pool whose members are located in Southeastern Pennsylvania. The purpose and intent of the Trust is to provide an efficient and more cost-effective alternative to commercial insurance and reduce both the frequency and severity of work-related injury and occupational disease claims. The Trust is a recognized entity regulated by the Pennsylvania Department of Labor and Industry, Bureau of Workers' Compensation and is governed by a Board of Trustees comprised of a representative from each member municipality. The Board of Trustees also elects Trustees to serve on an Executive Committee.

The Trust is funded by its member municipalities and utilizes in-house claims adjustment. Members' contributions are assessed at the beginning of each year based on an independent actuarial study and are recognized as revenue in the year for which insurance protection is provided. Rates charged by the Trust are approved by the Pennsylvania Department of Labor and Industry, Bureau of Worker's Compensation on an annual basis.

In addition, the Township is also a member of the Delaware Valley Insurance Trust (the "Trust"), formed in 1989. This is an association of several municipalities in Southeastern Pennsylvania, which form an intergovernmental risk-sharing pool under the authority granted by the Pennsylvania Intergovernmental Cooperation Act and the Pennsylvania Political Subdivision Tort Claims Governmental Immunity Act. The purpose of the Trust is to provide an efficient and more cost-effective alternative to commercial insurance. The Trust is also intended to prevent and reduce both the frequency and severity of casualty and property losses to member municipalities and injuries to persons or employees that might result in claims being made against such municipalities.



**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 19 Commitments and Contingencies (Continued)

In addition to insurance protection, the Trust provides risk management services, with an emphasis on loss control and claims administration. The Trust is governed by a Board of Trustees comprised of a representative from each member municipality.

The Trust is funded by its member municipalities and utilizes in-house claims adjustment. Each municipality is covered by the pool for the following risks: comprehensive general liability, business automobile liability, public officials' errors and omissions liability, police professional liability, real and personal property, and first party automobile physical damage only. Plymouth Township is covered for all the aforementioned risks. The Trust also purchases public employees' blanket bond and crime coverage for the members with each new member required to make an initial contribution to the Trust upon admission. Thereafter, based on formulas set forth in the Trust Agreement, member contributions are assessed at the beginning of each year based on an actuarial study and are recognized as revenue in the year for which insurance protection is provided.

*Other Claims*

On May 16, 2005, the Pennsylvania Supreme Court rendered an opinion holding that municipalities cannot assess its legal fees to developers under the Pennsylvania Municipalities Planning Code ("MPC"). Effective January 31, 2005, the MPC was amended to provide that municipalities may assess its legal fees and receive reimbursement from developers. As a result, claims may be made for the refund of legal fees incurred in the review of subdivision and land development plans prior to January 31, 2005, and for the period of any applicable statute of limitations. No claims have yet been made.

Significant losses for possible claims and judgments are covered by commercial insurance. There have been no significant reductions in insurance coverage from the prior fiscal year, and settlement amounts have not exceeded insurance coverage for the current fiscal year or the three prior fiscal years.

Note 20 Subsequent Events

*General Obligation Bonds*

On June 16, 2021, the Township issued General Obligation Bonds, Series of 2021 (the "Bonds"), in the aggregate principal amount of \$9,130,000. The proceeds of the Bonds shall be used for the purpose of providing funds to finance certain capital projects of the township, including facilities improvements, renovations to the Township's municipal and public works buildings, and other related improvements, and to pay the costs of issuing the Bonds. The Bonds are stated to mature on September 15<sup>th</sup> of each year from 2022 through 2044 with remaining principal payments due in 2046, 2049, and 2051, with interest payable semiannually on March 15<sup>th</sup> and September 15<sup>th</sup> of each year. The interest rate on the Bonds range from 3% to 5%.

**Plymouth Township**  
**Notes to Financial Statements**  
**December 31, 2020**

Note 20 Subsequent Events (Continued)

*General Obligation Bonds (Continued)*

Future debt service payments related to the Bonds are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 115,000	\$ 359,325	\$ 474,325
2023	190,000	284,650	474,650
2024	195,000	277,050	472,050
2025	205,000	267,300	472,300
2026	215,000	257,050	472,050
2027 - 2031	1,195,000	1,162,050	2,357,050
2032 - 2036	1,385,000	971,700	2,356,700
2037 - 2041	1,605,000	750,900	2,355,900
2042 - 2046	1,865,000	495,300	2,360,300
2047 - 2051	<u>2,160,000</u>	<u>198,450</u>	<u>2,358,450</u>
Total Due in Future Years	<u>\$ 9,130,000</u>	<u>\$ 5,023,775</u>	<u>\$ 14,153,775</u>

*COVID-19*

An ongoing worldwide pandemic of coronavirus disease 2019 (“COVID-19”) has continued to have an effect on the United States since March 2020. As of the report date, the Township continues to evaluate the ongoing effects of this pandemic on its current and future operations.

*Evaluation of Subsequent Events*

The Township’s management has evaluated subsequent events to determine if events or transactions occurring through September 13, 2021, the date which the financial statements were available for issuance, require potential adjustment to, or disclosures in, the accompanying financial statements. Based upon the evaluation, the Township’s management did not identify any subsequent events other than the event noted above that require adjustment to or disclosure in the financial statements.

**Plymouth Township**  
**Schedule of Changes in the Township's Net Pension Liability and Related Ratios -**  
**Police Pension Plan**  
**For the Last Seven Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014
<b><u>Total Pension Liability</u></b>							
Service cost	\$ 1,491,215	\$ 1,421,840	\$ 1,257,251	\$ 1,197,382	\$ 1,256,076	\$ 1,218,836	\$ 1,160,796
Interest on total pension liability	3,071,427	2,884,474	2,587,746	2,433,759	2,464,586	2,328,216	2,172,780
Changes in benefit terms	-	-	-	-	54,010	-	-
Changes in assumptions	(99,003)	1,934,754	-	(929,245)	-	744,490	-
Differences between expected and actual experience	1,717	10,438	-	(1,913,571)	-	(1,198,877)	-
Benefit payments	<u>(1,653,393)</u>	<u>(1,617,719)</u>	<u>(1,484,699)</u>	<u>(1,377,973)</u>	<u>(1,258,480)</u>	<u>(1,138,580)</u>	<u>(1,087,555)</u>
<b><u>Net Change in Total Pension Liability</u></b>	2,811,963	4,633,787	2,360,298	(589,648)	2,516,192	1,954,085	2,246,021
<b><u>Total Pension Liability - Beginning</u></b>	44,704,232	40,070,445	37,710,147	38,299,795	35,783,603	33,829,518	31,583,497
<b><u>Total Pension Liability - Ending</u></b>	<u>\$47,516,195</u>	<u>\$44,704,232</u>	<u>\$40,070,445</u>	<u>\$37,710,147</u>	<u>\$38,299,795</u>	<u>\$35,783,603</u>	<u>\$33,829,518</u>
<b><u>Plan Fiduciary Net Position</u></b>							
Contributions - employer (state and township)	\$ 1,582,745	\$ 1,613,367	\$ 1,577,886	\$ 1,476,013	\$ 1,495,738	\$ 1,537,470	\$ 1,501,525
Contributions - member	234,361	220,184	158,633	154,237	138,932	141,296	141,773
Net investment income	7,610,376	7,817,099	(2,160,448)	5,464,058	2,171,116	268,360	1,625,147
Benefit payments	(1,652,853)	(1,617,719)	(1,484,699)	(1,377,973)	(1,258,480)	(1,138,580)	(1,087,555)
Administrative expense	<u>(123,981)</u>	<u>(118,424)</u>	<u>(127,966)</u>	<u>(125,178)</u>	<u>(112,818)</u>	<u>(120,911)</u>	<u>(106,524)</u>
<b>Net change in plan fiduciary net position</b>	7,650,648	7,914,507	(2,036,594)	5,591,157	2,434,488	687,635	2,074,366
<b>Plan fiduciary net position - beginning</b>	46,694,505	38,779,998	40,816,592	35,225,435	32,790,947	32,103,312	30,028,946
<b>Plan fiduciary net position - ending</b>	<u>\$54,345,153</u>	<u>\$46,694,505</u>	<u>\$38,779,998</u>	<u>\$40,816,592</u>	<u>\$35,225,435</u>	<u>\$32,790,947</u>	<u>\$32,103,312</u>
<b><u>Township's Net Pension Liability</u></b>	<u>\$ (6,828,958)</u>	<u>\$ (1,990,273)</u>	<u>\$ 1,290,447</u>	<u>\$ (3,106,445)</u>	<u>\$ 3,074,360</u>	<u>\$ 2,992,656</u>	<u>\$ 1,726,206</u>
<b><u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u></b>	114.4%	104.5%	96.8%	108.2%	92.0%	91.6%	94.9%
<b><u>Covered-Employee Payroll</u></b>	\$ 6,142,924	\$ 5,504,359	\$ 5,218,503	\$ 5,055,532	\$ 4,588,320	\$ 4,752,704	\$ 4,539,487
<b><u>Township's Net Pension Liability as a Percentage of Covered Employee Payroll</u></b>	-111.2%	-36.2%	24.7%	-61.4%	67.0%	63.0%	38.0%

This schedule is intended to show 10 years - additional information will be presented as it becomes available.

**Plymouth Township**  
**Schedule of Changes in the Township's Net Pension Liability and Related Ratios -**  
**Non-Uniformed Employees' Pension Plan**  
**For the Last Seven Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014
<b><u>Total Pension Liability</u></b>							
Service cost	\$ 796,056	\$ 766,531	\$ 773,093	\$ 743,359	\$ 707,281	\$ 625,990	\$ 601,914
Interest on total pension liability	2,040,453	1,907,874	1,751,149	1,632,649	1,515,186	1,356,066	1,269,369
Changes in benefit terms	-	-	-	-	-	-	-
Changes in assumptions	(88,367)	1,546,896	-	92,220	-	863,051	-
Differences between expected and actual experience	1,134	(1,120,245)	-	24,240	-	77,212	-
Benefit payments	(834,775)	(726,065)	(697,872)	(668,421)	(653,356)	(644,992)	(620,541)
<b><u>Net Change in Total Pension Liability</u></b>	1,914,501	2,374,991	1,826,370	1,824,047	1,569,111	2,277,327	1,250,742
<b><u>Total Pension Liability - Beginning</u></b>	29,566,710	27,191,719	25,365,349	23,541,302	21,972,191	19,694,864	18,444,122
<b><u>Total Pension Liability - Ending</u></b>	<u>\$31,481,211</u>	<u>\$29,566,710</u>	<u>\$27,191,719</u>	<u>\$25,365,349</u>	<u>\$23,541,302</u>	<u>\$21,972,191</u>	<u>\$19,694,864</u>
<b><u>Plan Fiduciary Net Position</u></b>							
Contributions - employer (state and township)	\$ 1,001,349	\$ 967,292	\$ 956,009	\$ 693,377	\$ 662,176	\$ 567,669	\$ 555,386
Contributions - member	220	972	1,769	-	-	-	-
Net Investment income	4,829,002	4,927,870	(1,352,050)	3,441,905	1,375,957	173,048	1,071,536
Benefit payments	(834,775)	(726,065)	(697,872)	(668,421)	(653,356)	(644,992)	(620,542)
Administrative expense	(83,218)	(94,981)	(83,842)	(74,929)	(75,220)	(83,176)	(80,838)
<b><u>Net Change in Plan Fiduciary Net Position</u></b>	4,912,578	5,075,088	(1,175,986)	3,391,932	1,309,557	12,549	925,542
<b><u>Plan Fiduciary Net Position - Beginning</u></b>	29,448,843	24,373,755	25,549,741	22,157,809	20,848,252	20,835,703	19,910,161
<b><u>Plan Fiduciary Net Position - Ending</u></b>	<u>\$34,361,421</u>	<u>\$29,448,843</u>	<u>\$24,373,755</u>	<u>\$25,549,741</u>	<u>\$22,157,809</u>	<u>\$20,848,252</u>	<u>\$20,835,703</u>
<b><u>Township's Net Pension Liability (Surplus)</u></b>	<u>\$ (2,880,210)</u>	<u>\$ 117,867</u>	<u>\$ 2,817,964</u>	<u>\$ (184,392)</u>	<u>\$ 1,383,493</u>	<u>\$ 1,123,939</u>	<u>\$ (1,140,839)</u>
<b><u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</u></b>	109.1%	99.6%	89.6%	100.7%	94.1%	94.9%	105.8%
<b><u>Covered-Employee Payroll</u></b>	\$ 5,377,683	\$ 5,365,134	\$ 5,144,100	\$ 4,891,368	\$ 5,029,053	\$ 4,825,757	\$ 4,417,118
<b><u>Township's Net Pension Liability as a Percentage of Covered Employee Payroll</u></b>	-53.6%	2.2%	54.8%	-3.8%	27.5%	23.3%	-25.8%

This schedule is intended to show 10 years - additional information will be presented as it becomes available.

**Plymouth Township**  
**Schedule of Township Contributions - Police Pension Fund**  
**For the Last Ten Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Actuarially Determined Contribution</u>	\$ 1,582,745	\$ 1,613,367	\$ 1,577,886	\$ 1,476,013	\$ 1,495,738	\$ 1,537,470	\$ 1,501,525	\$ 1,431,875	\$ 1,437,447	\$ 1,302,411
<u>Contributions in Relation to the Actuarial Determined Contribution</u>	<u>1,582,745</u>	<u>1,613,367</u>	<u>1,577,886</u>	<u>1,476,013</u>	<u>1,495,738</u>	<u>1,537,470</u>	<u>1,501,525</u>	<u>1,431,875</u>	<u>1,437,447</u>	<u>1,302,411</u>
<u>Contribution Deficiency (Excess)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Covered-employee Payroll</u>	\$ 6,142,924	\$ 5,504,359	\$ 5,218,503	\$ 5,055,532	\$ 4,588,320	\$ 4,752,704	\$ 4,539,487	\$ 4,508,159	\$ 4,117,234	\$ 4,325,365
<u>Contributions as a Percentage of Covered-employee Payroll</u>	25.8%	29.3%	30.2%	29.2%	32.6%	32.3%	33.1%	31.8%	34.9%	30.1%

Notes to Schedule

Actuarially-determined contributions are determined in accordance with Pennsylvania Act 205.  
Covered payroll includes pay for anyone working at least six months in the year.

Methods and assumptions used to determine contribution rates for the year ended December 31, 2020:

Valuation Date	1/1/2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar Open
Remaining Amortization Period	4 Years
Asset Valuation Method	Adjusted Market Value
Investment Rate of Return	7.0%
Projected Salary Increases	5.0%
Inflation	3.0%
Cost of Living Adjustment	3.0%

**Plymouth Township**  
**Schedule of Township Contributions - Non-Uniformed Employees' Pension Fund**  
**For the Last Ten Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Actuarially Determined Contribution</u>	\$ 1,001,349	\$ 967,292	\$ 956,009	\$ 693,377	\$ 662,176	\$ 567,669	\$ 555,386	\$ 604,052	\$ 594,080	\$ 920,846
<u>Contributions in Relation to the Actuarial Determined Contribution</u>	<u>1,001,349</u>	<u>967,292</u>	<u>956,009</u>	<u>693,377</u>	<u>662,176</u>	<u>567,669</u>	<u>555,386</u>	<u>604,052</u>	<u>594,080</u>	<u>920,846</u>
<u>Contribution Deficiency (Excess)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Covered-employee Payroll</u>	\$ 5,377,683	\$ 5,365,134	\$ 5,144,100	\$ 4,891,368	\$ 5,029,053	\$ 4,825,757	\$ 4,417,118	\$ 4,391,845	\$ 4,172,910	\$ 4,085,105
<u>Contributions as a Percentage of Covered-employee Payroll</u>	18.6%	18.0%	18.6%	14.2%	13.2%	11.8%	12.6%	13.8%	14.2%	22.5%

Notes to Schedule

Actuarially-determined contributions are determined in accordance with Pennsylvania Act 205.  
Covered payroll includes pay for anyone working at least six months in the year.

Methods and assumptions used to determine contribution rates for the year ended December 31, 2020:

Valuation Date	1/1/2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar Open
Remaining Amortization Period	9 Years
Asset Valuation Method	Adjusted Market Value
Investment Rate of Return	7.0%
Projected Salary Increases	4.0%
Inflation	3.0%
Cost of Living Adjustment	3.0%

**Plymouth Township**  
**Schedule of Investment Returns -**  
**Police Pension Fund and Non-Uniformed Employees' Pension Fund**  
**For the Last Eight Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013
<b><u>Police Pension Plan</u></b>								
Annual Money-Weighted Rate of Return, Net of Investment Expense	16.45%	20.40%	-5.35%	15.69%	6.67%	0.84%	5.37%	15.01%
<b><u>Non-uniformed Employees' Pension Plan</u></b>								
Annual Money-Weighted Rate of Return, Net of Investment Expense	16.52%	20.39%	-5.33%	15.71%	6.65%	0.84%	5.40%	15.09%

This schedule is intended to show 10 years - additional information will be presented as it becomes available.

**Plymouth Township**  
**Schedule of Changes in the Township's Net OPEB Liability and Related Ratios -**  
**For the Last Three Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Total OPEB Liability</u>			
Service cost	\$ 855,818	\$ 1,186,591	\$ 1,444,081
Interest on total OPEB liability	2,447,153	2,612,988	2,762,563
Changes in assumptions	1,666,185	(10,250,549)	(1,263,360)
Differences between expected and actual experience	(4,504,943)	-	(11,238,807)
Benefit payments	(805,288)	(754,310)	(660,476)
<u>Net Change in Total OPEB Liability</u>	(341,075)	(7,205,280)	(8,955,999)
<u>Total OPEB Liability - Beginning</u>	32,778,393	39,983,673	48,939,672
<u>Total OPEB Liability - Ending</u>	<u>\$32,437,318</u>	<u>\$32,778,393</u>	<u>\$39,983,673</u>
<u>Plan Fiduciary Net Position</u>			
Contributions - employer	\$ 805,288	\$ 754,310	\$ 660,476
Net investment income	4,394,006	4,459,661	(1,197,242)
Benefit payments	(805,288)	(754,310)	(660,476)
Administrative expense	(67,849)	(68,137)	(66,330)
<u>Net Change in Plan Fiduciary Net Position</u>	4,326,157	4,391,524	(1,263,572)
<u>Plan Fiduciary Net Position - Beginning</u>	26,381,469	21,989,945	23,253,517
<u>Plan Fiduciary Net Position - Ending</u>	<u>\$30,707,626</u>	<u>\$26,381,469</u>	<u>\$21,989,945</u>
<u>Township's Net OPEB Liability</u>	<u>\$ 1,729,692</u>	<u>\$ 6,396,924</u>	<u>\$17,993,728</u>
<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</u>	94.7%	80.5%	55.0%
<u>Covered-Employee Payroll</u>	\$11,335,578	\$10,775,072	\$10,362,603
<u>Township's Net OPEB Liability as a Percentage of Covered Employee Payroll</u>	15.3%	59.4%	173.6%

This schedule is intended to show 10 years - additional information will be presented as it becomes available.



**Plymouth Township**  
**Schedule of Investment Returns -**  
**Post-Retirement Healthcare Fund**  
**For the Last Three Fiscal Years**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Annual Money-Weighted Rate of Return,</u> <u>Net of Investment Expense</u>	16.62%	20.31%	-5.16%

This schedule is intended to show 10 years - additional information will be presented as it becomes available.

**Plymouth Township**  
**Schedule of Revenues**  
**General Fund**  
**For the Year Ended December 31, 2020**

<b>Taxes</b>		
Earned income tax		\$ 7,260,472
Real estate taxes		
Current real estate taxes	\$ 2,665,433	
Prior-year real estate taxes	35,381	
Liened real estate taxes	50,813	
Interim real estate taxes	19,843	2,771,470
Fire services fee		1,199,445
Business privilege taxes		5,080,954
Mercantile taxes		2,470,349
Real estate transfer taxes		781,363
Local services tax		1,048,325
Solid waste disposal tax		1,280,675
Other taxes		
Amusement tax	25,466	
Mechanical devices taxes	17,025	42,491
Total Taxes		21,935,544
Licenses and permits		
Commonwealth of Penna. liquor licenses	8,100	
Building and plumbing permits	1,000,452	
CATV franchise fees	312,241	
Streets permits	91,573	
Zoning permits	30,275	
Mercantile licenses	5,725	
Business privileges licenses	27,725	
Other licenses and permits	4,508	1,480,599
Fines and forfeits		145,333
Intergovernmental		
Municipal pension grant	792,737	
Firemen's relief association allocation	164,685	
Public utility taxes	21,490	
Other grants	32,316	1,011,228
Charges for services		
Inspection services	212,676	
Special duty police	20,098	
Engineering and other cost reimbursements	507,328	
Recreation fees	43,666	
Recycling	4,535	
Miscellaneous service revenue	19,350	807,653
Investment earnings		112,227
Miscellaneous		100,062
<b><u>Total Revenues</u></b>		<b><u>\$ 25,592,646</u></b>

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>General Government</u></b>			
<b><u>Manager's Office</u></b>			
Salaries and wages	\$ 588,722	\$ 604,639	\$ (15,917)
Telephone	2,000	1,937	63
Council budgeted expenditures	20,000	-	20,000
Civic organizations - contributions	32,500	32,500	-
	<u>643,222</u>	<u>639,076</u>	<u>4,146</u>
<b><u>Totals - Manager's Office</u></b>			
<b><u>Administration</u></b>			
Salaries and wages	271,666	224,104	47,562
Office supplies	11,000	11,786	(786)
Miscellaneous supplies	-	124	(124)
Office equipment	1,500	72	1,428
Furniture and fixtures	2,000	-	2,000
Computer hardware	118,000	149,616	(31,616)
Computer software	102,000	7,356	94,644
Audit / accounting services	28,500	29,500	(1,000)
Engineering services	7,500	9,040	(1,540)
Legal services	125,000	112,805	12,195
Maintenance and support - computer	97,500	147,801	(50,301)
Other professional consultants	1,500	2,533	(1,033)
Telephone	6,000	14,689	(8,689)
Postage, mailing, and delivery	3,200	3,276	(76)
Internet services	12,500	14,585	(2,085)
Automobile	4,000	3,872	128
Printing and advertising	19,000	8,930	10,070
Casualty insurance	302,000	301,155	845
Surety and fidelity bonds	12,000	11,877	123
Worker's compensation insurance	391,000	388,528	2,472
Unemployment compensation insurance	57,748	45,614	12,134
Insurance claim deductible	10,000	45,000	(35,000)
Maintenance and repairs - equipment	500	-	500
Rental of equipment	700	-	700
Miscellaneous services	61,500	37,743	23,757
Dues, subscriptions, and memberships	2,250	2,724	(474)
Training and seminars	10,000	(150)	10,150
Miscellaneous charges	1,000	1,180	(180)
	<u>1,659,564</u>	<u>1,573,760</u>	<u>85,804</u>
<b><u>Totals - Administration</u></b>			

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>Tax Collection</u></b>			
Salaries and wages	\$ 74,581	\$ 74,837	\$ (256)
Computer hardware	1,000	-	1,000
Computer software	2,500	8,266	(5,766)
Audit / accounting services	40,000	14,629	25,371
Tax collection services	91,500	85,571	5,929
Postage, mailing, and delivery	7,000	6,390	610
Printing and advertising	500	275	225
Refunds of taxes	11,000	34,509	(23,509)
<b><u>Totals - Tax Collection</u></b>	<b><u>228,081</u></b>	<b><u>224,477</u></b>	<b><u>3,604</u></b>
<b><u>Municipal Buildings</u></b>			
Salaries and wages	170,632	166,976	3,656
Building maintenance supplies	3,000	527	2,473
Janitorial supplies	12,000	15,372	(3,372)
Clothing and uniforms	900	720	180
Small tools and equipment	1,000	879	121
Telephone	1,000	56	944
Electricity	80,000	51,386	28,614
Water	11,000	5,306	5,694
Maintenance and repairs - equipment	9,000	5,386	3,614
Maintenance and repairs - buildings	11,000	8,566	2,434
Maintenance and repairs - grounds	1,000	-	1,000
Miscellaneous services	9,400	13,031	(3,631)
Building - replacement and improvements	15,000	7,140	7,860
<b><u>Totals - Municipal Buildings</u></b>	<b><u>324,932</u></b>	<b><u>275,345</u></b>	<b><u>49,587</u></b>
<b><u>Reimbursable Costs</u></b>			
Engineering services	180,000	300,878	(120,878)
Legal services	40,000	37,335	2,665
Other professional consultants	70,000	32,137	37,863
<b><u>Totals - Reimbursable Costs</u></b>	<b><u>290,000</u></b>	<b><u>370,350</u></b>	<b><u>(80,350)</u></b>
<b><u>Totals - General Government</u></b>	<b><u>3,145,799</u></b>	<b><u>3,083,008</u></b>	<b><u>62,791</u></b>

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<u>Public Safety</u>			
<u>Police Protection</u>			
Salaries and wages	\$ 7,149,583	\$ 6,902,063	\$ 247,520
Office supplies	7,500	6,452	1,048
Photo lab and identification	143,535	108,585	34,950
Ammunition and supplies	45,700	23,213	22,487
Gasoline, oil, and grease	75,000	58,218	16,782
Clothing and uniforms	68,000	65,950	2,050
K-9 / kennel expenditures	28,700	24,310	4,390
Tires and tubes	10,000	10,293	(293)
Vehicle and equipment repair parts	38,000	24,884	13,116
Miscellaneous supplies	7,390	6,831	559
Office equipment	3,000	981	2,019
Firearms and tactical equipment	12,650	12,338	312
Furniture and fixtures	5,000	3,670	1,330
Computer hardware	33,000	45,862	(12,862)
Computer software	15,504	13,746	1,758
Communications equipment	3,950	4,066	(116)
Vehicle equipment	67,725	59,486	8,239
Miscellaneous equipment and tools	2,100	2,305	(205)
Professional consultants	5,000	-	5,000
Telephone	50,000	35,262	14,738
Postage, mailing, and delivery	1,500	1,915	(415)
Printing and advertising	19,000	14,675	4,325
Electricity	10,000	7,784	2,216
Maintenance and repairs - equipment	7,750	3,519	4,231
Maintenance and repairs - traffic signals	100,000	101,130	(1,130)
Maintenance and repairs - vehicles	30,000	15,388	14,612
Miscellaneous services	2,000	3,814	(1,814)
Civil service	18,000	25,537	(7,537)
Training and seminars	29,000	15,849	13,151
Miscellaneous charges	10,950	15,577	(4,627)
Vehicle purchases	119,856	119,902	(46)
Electronic equipment	50,100	51,184	(1,084)
<u>Totals - Police Protection</u>	<u>8,169,493</u>	<u>7,784,789</u>	<u>384,704</u>

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>Fire Protection and Emergency Management</u></b>			
Salaries and wages	\$ 184,208	\$ 154,704	\$ 29,504
Gasoline, oil, and grease	2,200	1,580	620
Tires and tubes	1,000	697	303
Vehicle and equipment repair parts	1,500	1,152	348
Miscellaneous supplies	3,000	416	2,584
Small tools and equipment	1,000	-	1,000
Computer hardware	6,500	-	6,500
Computer software	500	-	500
Communications equipment	2,000	-	2,000
Maintenance and support - computer	3,000	2,435	565
Postage, mailing, and delivery	1,050	29	1,021
Hydrant service	85,000	63,627	21,373
Maintenance and repairs - vehicles	3,000	170	2,830
Miscellaneous services	3,000	463	2,537
Dues, subscriptions, and memberships	2,150	1,750	400
Miscellaneous charges	500	49	451
Fire Companies - donated telephone reimbursements	8,500	7,503	997
Fire companies - donated fuel	16,500	12,614	3,886
Donations to fire companies	791,700	791,700	-
Firefighter stipend	60,000	63,205	(3,205)
Ambulance association - donated fuel	30,000	34,453	(4,453)
Donations to ambulance association	65,000	65,000	-
Payment of the Commonwealth's allocation to the Firemen's Relief Association	164,479	164,685	(206)
<b><u>Totals - Fire Protection and Emergency Management</u></b>	<b><u>1,435,787</u></b>	<b><u>1,366,232</u></b>	<b><u>69,555</u></b>
<b><u>Zoning</u></b>			
Salaries and wages	83,371	82,545	826
Office supplies	250	130	120
Vehicle and equipment repair parts	500	80	420
Miscellaneous supplies	200	132	68
Computer hardware	2,000	-	2,000
Legal services	15,000	14,431	569
Other professional consultants	4,500	-	4,500
Stenographic services	4,000	4,586	(586)
Postage, mailing, and delivery	4,000	3,886	114
Printing and advertising	6,000	4,376	1,624
Codification of ordinances	7,500	6,743	757
Maintenance and repairs - vehicles	500	319	181
Dues, subscriptions, and memberships	600	412	188
Board expenditures	2,995	2,995	-
Training and seminars	750	-	750
<b><u>Totals - Zoning</u></b>	<b><u>132,166</u></b>	<b><u>120,635</u></b>	<b><u>11,531</u></b>

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>Building</u></b>			
Salaries and wages	\$ 98,465	\$ 86,786	\$ 11,679
Office supplies	4,000	1,394	2,606
Books, publications, and reference materials	3,000	562	2,438
Miscellaneous supplies	500	-	500
Office equipment	2,500	648	1,852
Computer hardware	2,000	-	2,000
Computer software	2,000	-	2,000
Maintenance and support - computer	10,000	1,379	8,621
Professional consultants	600,000	1,072,999	(472,999)
Printing and advertising	750	725	25
Maintenance and repairs - equipment	1,000	250	750
Dues, subscriptions, and memberships	1,000	175	825
Training and seminars	750	65	685
Miscellaneous charges	250	-	250
	<u>726,215</u>	<u>1,164,983</u>	<u>(438,768)</u>
<b><u>Totals - Building</u></b>			
<b><u>Code Enforcement</u></b>			
Salaries and wages	202,406	157,979	44,427
Gasoline, oil, and grease	2,000	1,853	147
Clothing and uniforms	1,500	848	652
Vehicle and equipment repair parts	3,000	1,794	1,206
Miscellaneous supplies	1,000	-	1,000
Computer hardware	2,000	-	2,000
Other professional consultants	1,000	-	1,000
Postage, mailing, and delivery	400	403	(3)
Printing and advertising	500	755	(255)
Miscellaneous services	3,000	(1,406)	4,406
Dues, subscriptions, and memberships	750	175	575
Training and seminars	1,500	523	977
	<u>219,056</u>	<u>162,924</u>	<u>56,132</u>
<b><u>Totals - Code Enforcement</u></b>			
<b><u>Totals - Public Safety</u></b>	<u>10,682,717</u>	<u>10,599,563</u>	<u>83,154</u>

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>Public Works</u></b>			
<b><u>Sanitation</u></b>			
Salaries and wages	\$ 619,400	\$ 608,096	\$ 11,304
Recycling supplies and materials	15,000	14,513	487
Gasoline, oil, and grease	35,000	32,162	2,838
Clothing and uniforms	4,400	3,520	880
Tires and tubes	20,000	21,311	(1,311)
Vehicle and equipment repair parts	27,000	37,499	(10,499)
Miscellaneous supplies	5,000	5,830	(830)
Maintenance and repairs - vehicles	40,000	9,368	30,632
Miscellaneous services	15,500	29,205	(13,705)
Trash disposal costs	280,800	317,905	(37,105)
Recycling disposal costs	90,000	80,240	9,760
<b><u>Totals - Sanitation</u></b>	<b><u>1,152,100</u></b>	<b><u>1,159,649</u></b>	<b><u>(7,549)</u></b>
<b><u>Administration</u></b>			
Salaries and wages	375,250	472,689	(97,439)
Office supplies	250	-	250
Clothing and uniforms	4,000	2,560	1,440
Miscellaneous supplies	500	-	500
Engineering services	30,000	1,518	28,482
Telephone	2,000	1,317	683
Postage, mailing, and delivery	500	35	465
Radio equipment maintenance	500	303	197
Printing and advertising	1,000	676	324
Miscellaneous services	500	1,288	(788)
Dues, subscriptions, and memberships	500	270	230
Training and seminars	500	260	240
Miscellaneous charges	500	-	500
<b><u>Totals - Administration</u></b>	<b><u>416,000</u></b>	<b><u>480,916</u></b>	<b><u>(64,916)</u></b>

(Continued)



**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>Street Maintenance</u></b>			
Salaries and wages	\$ 92,400	\$ 78,826	\$ 13,574
Street signs	500	43	457
Street maintenance materials and supplies	500	-	500
Street paving materials	500	-	500
Storm sewer materials and supplies	1,000	5	995
Vehicle and equipment repair parts	1,000	1,326	(326)
Miscellaneous supplies	5,600	6,537	(937)
Small tools and equipment	1,000	3,120	(2,120)
Miscellaneous tools and equipment	100	-	100
Construction contractors	10,000	6,000	4,000
Maintenance and repairs - equipment	4,500	-	4,500
Rental of equipment	1,000	-	1,000
Miscellaneous services	3,000	1,668	1,332
	<u>121,100</u>	<u>97,525</u>	<u>23,575</u>
<b><u>Totals - Street Maintenance</u></b>			
<b><u>Highway Services</u></b>			
Salaries and wages	114,000	81,365	32,635
Branch collection materials and supplies	500	75	425
Small tools and equipment	500	-	500
Miscellaneous supplies	1,000	-	1,000
Leaf collection equipment	1,000	-	1,000
Electricity	125,000	106,634	18,366
Maintenance and repairs - street lighting	50,000	62,849	(12,849)
Maintenance and repairs - equipment	22,500	5,038	17,462
Maintenance and repairs - traffic signals	-	(10,914)	10,914
	<u>314,500</u>	<u>245,047</u>	<u>69,453</u>
<b><u>Totals - Highway Services</u></b>			
<b><u>Equipment Maintenance and Purchases</u></b>			
Salaries and wages	219,500	229,374	(9,874)
Gasoline, oil, and grease	40,000	22,829	17,171
Maintenance garage materials and supplies	15,000	10,380	4,620
Tires and tubes	15,000	13,732	1,268
Vehicle and equipment repair parts	35,000	36,935	(1,935)
Miscellaneous supplies	1,000	2,094	(1,094)
Small tools and equipment	500	-	500
Communications equipment	1,000	-	1,000
Maintenance and repairs - equipment	15,000	6,513	8,487
Maintenance and repairs - vehicles	10,000	544	9,456
	<u>352,000</u>	<u>322,401</u>	<u>29,599</u>
<b><u>Totals - Equipment Maintenance and Purchases</u></b>			
<b><u>Totals - Public Works</u></b>	<u>2,355,700</u>	<u>2,305,538</u>	<u>50,162</u>

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<u>Culture and Recreation</u>			
<u>Buildings and Grounds</u>			
Salaries and wages	\$ 605,583	\$ 583,012	\$ 22,571
Clothing allowance	2,400	1,920	480
Office supplies	700	67	633
Groundskeeping and agricultural supplies	25,000	12,934	12,066
Gasoline, oil, and grease	10,000	7,336	2,664
Building maintenance supplies	-	325	(325)
Clothing and uniforms	1,000	426	574
Tires and tubes	2,000	1,844	156
Vehicle and equipment repair parts	7,500	9,510	(2,010)
Small tools and equipment	1,500	1,077	423
Office equipment	-	7	(7)
Miscellaneous equipment and tools	2,500	83	2,417
Telephone	3,500	3,591	(91)
Printing and advertising	500	333	167
Electricity	35,000	17,394	17,606
Water	20,000	24,111	(4,111)
Maintenance and repairs - vehicles	3,000	2,231	769
Maintenance and repairs - buildings	7,000	5,176	1,824
Maintenance and repairs - grounds	15,000	11,876	3,124
Rental of equipment	2,000	-	2,000
Miscellaneous services	53,220	47,896	5,324
Miscellaneous charges	1,250	298	952
<u>Totals - Buildings and Grounds</u>	<u>798,653</u>	<u>731,447</u>	<u>67,206</u>

(Continued)

**Plymouth Township**  
**Comparison of Budgeted and Actual Expenditures and Other Financing Uses**  
**General Fund**  
**For the Year Ended December 31, 2020**

	Original and Final Budget	Actual Expenditures	Favorable (Unfavorable) Variance
<b><u>Parks and Recreation</u></b>			
Salaries and wages	\$ 195,295	\$ 301,442	\$ (106,147)
Office supplies	1,340	200	1,140
Recreation program supplies	6,963	159	6,804
Clothing and uniforms	480	-	480
Vehicle repair parts	6,500	1,497	5,003
Recreation program equipment	1,450	381	1,069
Computer hardware	4,785	-	4,785
Maintenance and support - computer	2,285	2,187	98
Telephone	850	715	135
Postage, mailing, and delivery	7,285	1,600	5,685
Entertainers	7,300	500	6,800
Contracted instructors	20,994	2,145	18,849
Automobile	100	-	100
Printing and advertising	15,120	4,912	10,208
Rental of equipment	780	779	1
Miscellaneous services	3,882	1,631	2,251
Plymouth Township Day	27,780	2,541	25,239
Tickets - PA Rec. Society	75,000	9,319	65,681
Bus trips, admission to rec. facility	19,789	2,491	17,298
Dues, subscriptions, and memberships	1,995	2,880	(885)
Donation	1,000	-	1,000
Tree light / holiday program	2,200	-	2,200
Training and seminars	3,275	85	3,190
Miscellaneous charges	500	-	500
Contributions to sports organizations	34,300	23,000	11,300
Harriet Wetherill Park	222,966	33,687	189,279
<b><u>Totals - Parks and Recreation</u></b>	<b><u>664,214</u></b>	<b><u>392,151</u></b>	<b><u>272,063</u></b>
<b><u>Totals - Culture and Recreation</u></b>	<b><u>1,462,867</u></b>	<b><u>1,123,598</u></b>	<b><u>339,269</u></b>
<b><u>Employee Benefits</u></b>			
Social security taxes	940,000	942,021	(2,021)
Transfer to police pension	1,582,745	1,582,745	-
Transfer to non-uniformed employees' pension	1,001,349	870,366	130,983
<b><u>Totals - Employee Benefits</u></b>	<b><u>3,524,094</u></b>	<b><u>3,395,132</u></b>	<b><u>128,962</u></b>
<b><u>Other Financing Uses</u></b>			
Transfer to health and welfare fund for employees' insurances	4,113,000	3,664,024	448,976
Transfer to capital reserve fund	200,000	200,000	-
Transfer to community center fund	500,000	1,569,899	(1,069,899)
<b><u>Totals - Other Financing Uses</u></b>	<b><u>4,813,000</u></b>	<b><u>5,433,923</u></b>	<b><u>(620,923)</u></b>
<b><u>Total Budgeted and Actual Expenditures and Other Financing Uses</u></b>	<b><u>\$ 25,984,177</u></b>	<b><u>\$ 25,940,762</u></b>	<b><u>\$ 43,415</u></b>

**Plymouth Township**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Greater Plymouth Community Center**  
**For the Year Ended December 31, 2020**

**Operating Revenues**

Charges for services		
Program services	\$	366,491
Membership revenue		257,188
Daily admissions		2,387
Rental revenues		30,211
Pro shop sales		1,062
General services		13,178
<b><u>Total Operating Revenues</u></b>	<b>\$</b>	<b>670,517</b>

**Operating expenses**

Wages		1,127,819
Employee benefits		130,983
Office supplies		2,724
Recreation program supplies		12,281
Pool supplies		12,369
Building maintenance supplies		5,616
Janitorial supplies		16,527
Clothing and uniforms		1,567
Miscellaneous supplies		5,874
Minor tools and equipment		693
Minor building improvements		13,204
Maintenance and support - computer		4,642
Telephone		11,004
Postage, mailing, and delivery		1,579
Contracted instructors		25,226
Printing and advertising		10,697
Utilities		205,833
Maintenance and repairs		17,639
Rental of equipment		864
Miscellaneous services		24,912
Dues, subscriptions, memberships		363
Training - seminars		249
Bus trips		3,136
Depreciation expense		395,854
Other expenses		74
<b><u>Total Operating Expenses</u></b>		<b>2,031,729</b>
<b><u>Operating (Loss)</u></b>		<b>(1,361,212)</b>

**Nonoperating Revenue**

Interest income		364
<b><u>Total Nonoperating Revenue</u></b>		<b>364</b>

**(Loss) before Transfers** **(1,360,848)**

Contributions from governmental funds **2,054,850**

**Change in Net Position** **694,002**

**Total Net Position - Beginning of Year** **8,768,416**

**Total Net Position - End of Year** **\$ 9,462,418**

**Plymouth Township**  
**Combining Statement of Net Position**  
**Component Units**  
**December 31, 2020**

	Plymouth Township Parks Recreation and Facilities Fund	Harmonville Fire Company	Plymouth Fire Company	Total
<b><u>Assets</u></b>				
<b><u>Current Assets</u></b>				
Cash and cash equivalents	\$ 252	\$ 546,213	\$ 1,170,414	\$ 1,716,879
Equity in pooled cash and investments	21,166	-	-	21,166
Investments	-	2,093,439	-	2,093,439
<b><u>Total Current Assets</u></b>	<b><u>21,418</u></b>	<b><u>2,639,652</u></b>	<b><u>1,170,414</u></b>	<b><u>3,831,484</u></b>
<b><u>Other Assets</u></b>				
<b><u>Capital Assets</u></b>				
Land and improvements	-	100,001	40,000	140,001
Other Capital assets, net of depreciation	-	1,623,687	2,303,714	3,927,401
<b><u>Total capital assets</u></b>	<b><u>-</u></b>	<b><u>1,723,688</u></b>	<b><u>2,343,714</u></b>	<b><u>4,067,402</u></b>
<b><u>Total Assets</u></b>	<b><u>\$ 21,418</u></b>	<b><u>\$ 4,363,340</u></b>	<b><u>\$ 3,514,128</u></b>	<b><u>\$ 7,898,886</u></b>
<b><u>Liabilities</u></b>				
<b><u>Current Liabilities</u></b>				
Payroll taxes payable	\$ -	\$ 8,873	\$ 6,480	\$ 15,353
Notes payable	-	15,789	20,894	36,683
	-	24,662	27,374	52,036
<b><u>Noncurrent Liabilities</u></b>				
Notes payable		254,631	285,074	539,705
<b><u>Total Liabilities</u></b>	<b><u>-</u></b>	<b><u>279,293</u></b>	<b><u>312,448</u></b>	<b><u>591,741</u></b>
<b><u>Net Position</u></b>				
Invested in capital assets, net of related debt	-	1,453,268	2,037,746	3,491,014
Unrestricted	21,418	2,630,779	1,163,934	3,816,131
<b><u>Total Net Position</u></b>	<b><u>21,418</u></b>	<b><u>4,084,047</u></b>	<b><u>3,201,680</u></b>	<b><u>7,307,145</u></b>
<b><u>Total Liabilities and Net Position</u></b>	<b><u>\$ 21,418</u></b>	<b><u>\$ 4,363,340</u></b>	<b><u>\$ 3,514,128</u></b>	<b><u>\$ 7,898,886</u></b>

**Plymouth Township**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Component Units**  
**For the Year Ended December 31, 2020**

	Plymouth Township Parks Recreation and Facilities Fund	Harmonville Fire Company	Plymouth Fire Company	Total
<u>Operating Revenues</u>				
Charges for services	\$ -	\$ 52,670	\$ -	\$ 52,670
Rental income	-		10,814	10,814
Grants and contributions				
Primary government	-	512,000	376,185	888,185
Other	1,557	177,836	169,338	348,731
<u>Total Operating Revenues</u>	<u>1,557</u>	<u>742,506</u>	<u>556,337</u>	<u>1,300,400</u>
<u>Operating Expenses</u>				
		825,810	512,973	1,338,783
<u>Operating Income (Loss)</u>	<u>1,557</u>	<u>(83,304)</u>	<u>43,364</u>	<u>(38,383)</u>
<u>Non-Operating Revenues</u>				
Investment earnings	223	160,752	7,281	168,256
Miscellaneous income	-	7,473	7,007	14,480
<u>Total Non-operating Revenue</u>	<u>223</u>	<u>168,225</u>	<u>14,288</u>	<u>182,736</u>
<u>Change in Net Position</u>	<u>1,780</u>	<u>84,921</u>	<u>57,652</u>	<u>144,353</u>
<u>Total Net Position - Beginning of Year</u>	<u>19,638</u>	<u>3,999,126</u>	<u>3,144,028</u>	<u>7,162,792</u>
<u>Total Net Position - End of Year</u>	<u>\$ 21,418</u>	<u>\$ 4,084,047</u>	<u>\$3,201,680</u>	<u>\$ 7,307,145</u>