

**THE TOWNSHIP OF UPPER DARBY  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2012**



CYNTHIA FELZER LEITZELL, CPA  
STELLA C. ECONOMIDIS, CPA

LEITZELL & ECONOMIDIS, PC  
CERTIFIED PUBLIC ACCOUNTANTS

THE TOWNSHIP OF UPPER DARBY

YEAR ENDED DECEMBER 31, 2012

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## INDEPENDENT AUDITOR'S REPORT

To the Township Council  
Upper Darby Township  
Upper Darby, Pennsylvania

### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Township of Upper Darby, Upper Darby, Pennsylvania, as of and for the year ended December 31, 2012, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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.

### ***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 discretely presented component units, each major fund, and the aggregate remaining fund information of the Township of Upper Darby, Upper Darby, Pennsylvania as of December 31, 2012, and the respective changes in its financial position, and, where applicable, its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



CYNTHIA FELZER LEITZELL, CPA  
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CERTIFIED PUBLIC ACCOUNTANTS

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and pension plan trend information on pages 4 through 12 and 59 through 66 are 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 the Township of Upper Darby's financial statements. The combining nonmajor fund financial statements, selected individual fund information, schedule of COSA fund, the Statement of Sources and Status of Funds and Statement of Program Costs are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements, the selected individual fund information, schedule of COSA fund, the Statement of Sources and Status of Funds and Statement of Program Costs are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.



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***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 9, 2013, on our consideration of the Township of Upper Darby, Upper Darby, Pennsylvania's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Township of Upper Darby, Upper Darby, Pennsylvania's internal control over financial reporting and compliance.

LEITZELL & ECONOMIDIS, PC  
Certified Public Accountants

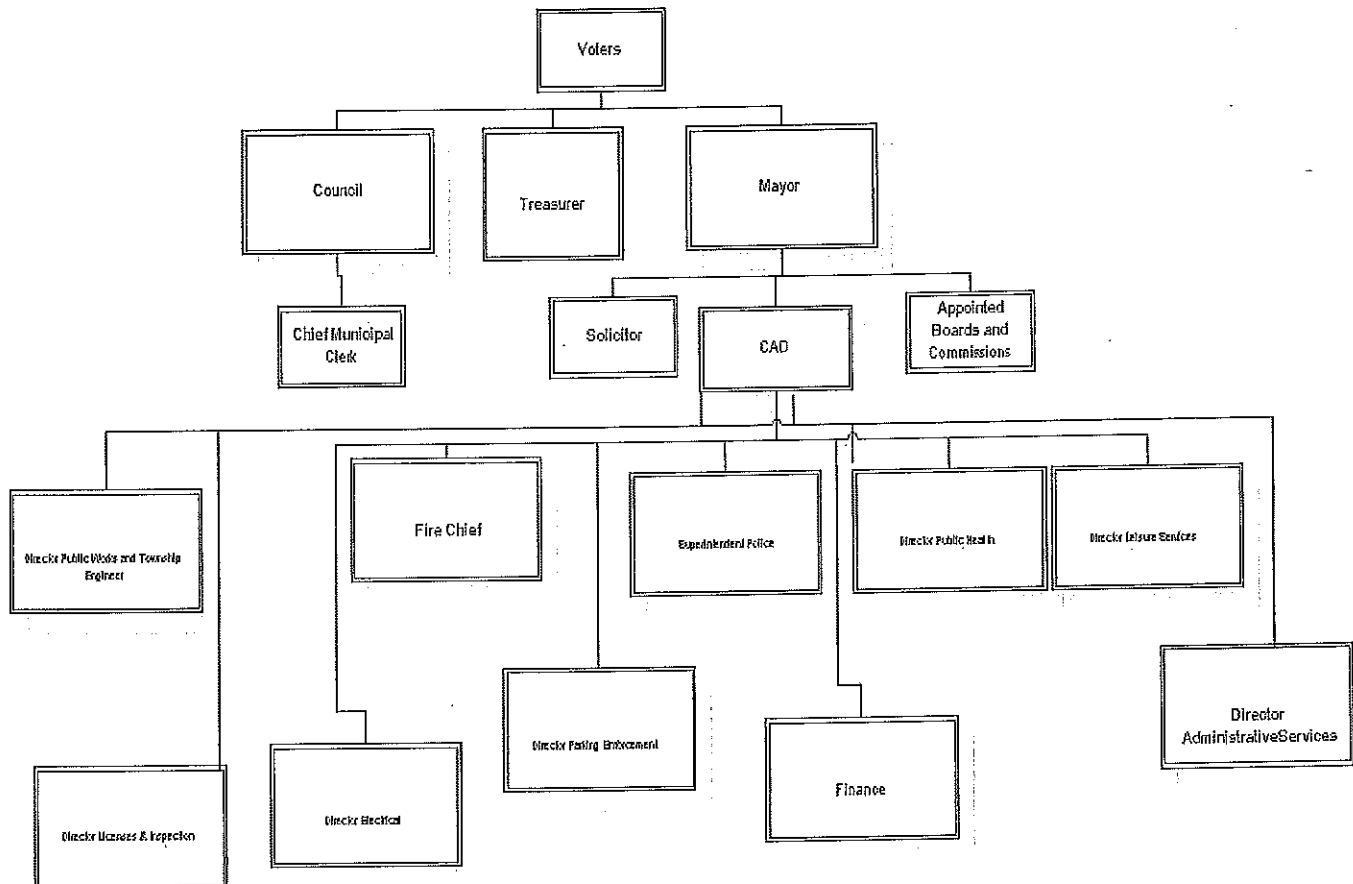
June 9, 2013

**THE TOWNSHIP OF UPPER DARBY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2012  
(UNAUDITED)**

This Management's Discussion and Analysis (MD&A) is intended to provide a narrative overview and analysis of the financial activities of the Township of Upper Darby for the year ended December 31, 2012. The Township's financial performance is discussed and analyzed within the context of the financial statements and the disclosures that follow. This discussion focuses on the Township's primary government. Component units are not included in this discussion.

Upper Darby Township operates under a Home Rule Charter. Following is an organizational chart detailing the governmental and administrative structure of the Township.

## Upper Darby Township





## FINANCIAL HIGHLIGHTS

Council and Management believe the Township's financial condition continues to be strong despite signs of the challenging economic circumstances. Performance has exceeded budgetary and other expectations.

- On the government-wide basis, the Township's net position decreased to \$(55,872,713) This was a decrease in net position from 2011 to 2012 once again resulting principally from the adoption of Government Accounting Standards Board Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" (OPEB), which represented \$17,745,110 in expense within the government-wide statements that are not reflected in the governmental funds pursuant to generally accepted accounting principles. The governmental funds reported an excess of revenue over expenditures in the amount of \$298,983 including \$762,196 in capital expenditures relative to recreational needs, community development, highways, streets and sewers and other departmental capital costs.
- The Township's investment in its capital lease with the Philadelphia Water Department for wastewater treatment decreased this period by \$702,127. This represents the book value of those assets over the related depreciation and additional capital costs. During this period, the Philadelphia Water Department privatized its bio-solids operation also resulting in a reflection of the Township's reduced investment within the capital lease.
- During the year, the Township's operating revenue on the government wide statements decreased to \$72,264,655, an approximate 1.0% decrease. While there was a marked increase in charges for services during the period, operating grants were reduced by 28%. Operating expenses without regard to the OPEB charges and not including allocated and non-allocated depreciation and amortization in the government-wide statements (\$1,415,268) decreased approximately two percent.
- Revenues for the Township's governmental fund activities increased \$547,960 in total (less than one percent), while total governmental fund expenditures decreased correspondingly by \$2,691,442 over the previous year, approximately three percent. Revenues showed marked increases in tax collection (which is reflective of increased millage and collection efforts) and departmental activity. Operating and entitlement grants were reduced this period as well as Commonwealth contributions for pension funding. Investment earnings remained low as a result of market conditions. Costs were contained and even reduced in most departmental areas. Community development costs were reduced corresponding to the reduced grant activity.
- At the close of this fiscal year, unassigned fund balance in the General Fund was \$3,618,249, or 6% of total General Fund expenditures or 6% of total General Fund revenues.
- The General Fund activities resulted in a surplus of \$435,297. As Commonwealth support for pension obligations was reduced this period, pension

obligations continued to grow significantly putting an increased burden on general fund resources. Investment earnings as noted above continue to decrease as a result of market conditions. Community development grants and entitlements were lower than anticipated. Revenues as a whole were slightly under budget, matched however by management maintaining expenditures at below budget levels. The Township was able to utilize less of its fund balance for operations than that budgeted.

- Sewer Fund revenues increased primarily as a result of increased sewer rental fees and other municipality reimbursements for joint sewer treatment costs. Expenditures were lower than the prior year primarily in the areas of personnel, treatment costs and debt service.
- Tax collection increased during the period resulting from enhanced collection and a tax increase of less than one mill.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements themselves. This MD&A represents management's analysis of the Township's financial condition and performance. Summary financial statement data and other management tools were utilized for analysis.

### **Government-wide financial statements.**

The Township's report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Township's overall status. These statements are intended to provide the reader with a broad overview of the Township's finances, similar to the perspective found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities.

The *Statement of Net Position* includes all of the Township's assets and liabilities, as well as its deferred outflows and inflows of resources. The difference between net assets plus deferred outflows of resources less liabilities and deferred inflows of resources is reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Township as a whole is improving or deteriorating.

The second statement, *The Statement of Activities* presents information on how the Township's net position has changed during the most recent fiscal year. All of the current year revenue and expenses are included regardless of when cash is received or paid. Revenues and expenses are reported in this statement for some items that will result in cash flows in subsequent fiscal periods, such as uncollected taxes. An important purpose of this statement is to show the financial reliance of the Township's distinct functions on revenues provided by various sources.

Both government-wide financial statements distinguish governmental activities of the Township that are principally supported by taxes and intergovernmental revenue, such as grants, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, highways and streets, sewers and culture and recreation. The government-wide financial statements include not only the Township itself, but also a legally separate library for which the Township is financially accountable, as well as a not-for-profit entity which has significant financial and programmatic interdependency with the Township itself. Financial information for those component units is reported separately from the financial information presented for the Township itself.

The fiduciary activities such as the Library Trust Fund, employee pension plans and a self-insurance trust fund are not included in the government-wide statements since these assets are not available to fund the Township's programs. Further, the pension plans are each administered independently with their own Boards of Trustees and are reported on separately as well as being presented herein. Such full reports are available from the Boards of the respective plans.

### **Fund Financial Statements**

The fund financial statements provide more detailed information about the Township's most significant *funds*—not the Township as a whole. The funds are an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Township, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Major funds are separately reported, while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in the supplemental information section of this report.

The Township has two types of funds - governmental funds and fiduciary funds. The Township itself does not have any proprietary funds. A proprietary fund is a fund in which customers are charged fees for specific services. Although a separate assessment is charged through the Sewer Fund, historically the Township has considered this a governmental fund due to the nature and intent of the activities.

*Governmental Funds* - Most all of the Township's basic services are included in the governmental funds, which are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, the governmental fund statements focus on a detailed short-term view that helps determine whether there are sufficient financial resources that are available at the end of the fiscal year or that can be spent in the near future to finance the programs and commitments of the Township. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided subsequent to the governmental funds statement to reconcile the differences between the two statements.

The Township maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, sewer fund, highway aid fund, two capital project funds and a sinking fund (debt

service fund), all of which are considered to be major funds. Information relative to the other governmental funds is combined into a single, aggregated presentation titled "Non-Major Governmental Funds". Individual fund information for each of the nonmajor governmental funds as well as detailed information on the General fund is provided in the form of combining statements in supplemental information to this report.

*Fiduciary Funds* - The Township has five fiduciary funds. The resources of the Library Trust Fund are intended for the support of the Upper Darby Township and Sellers Memorial Free Public Library. The Township is responsible for ensuring that the assets that flow through and are reported in this fund are used for its intended purpose. The Township has three independent pension plans, the Police Pension Plan, the Municipal Employees Pension Plan and the Firefighters' Pension Plan. While each of these have their own independent Board of Trustees, the Township has chosen to report them herein as fiduciary funds because of the Plans' dependency on the Minimum Municipal Obligation provided each year by the Township for funding requirements. The final fiduciary fund represents funds held for self-insurance purposes relative to workers' compensation requirements. These fiduciary funds are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The activities of these funds are not a part of the government wide financial statements since the Township cannot use these assets to finance its operations.

*Notes to Financial Statements* - The notes to the financial statements provide required disclosures and other information essential to a full understanding of the material data provided in the government wide and fund financial statements. The notes present information about the Township's accounting policies, significant accounts and activities, obligations, commitments and subsequent events, if any.

### **Budgetary Highlights**

The Township adopted an annual appropriated budget for its General Fund, Sewer Rental, Highway Aid and Debt Service Fund. There was reallocation of budgetary amounts during the period as approved by Council. A budgetary comparison statement has been provided for those funds with legally adopted budgets to demonstrate budgetary compliance, such statements reflecting both original and final budget presentations.

### **FINANCIAL ANALYSIS OF THE TOWNSHIP**

The following comparative condensed financial data serve as indicators of the Township's financial health or financial position. Table 1 below shows a condensed version of the Township's Net Position. The component change in net position is shown below in Table 2 as a condensed *Statement of Revenue, Expenses and Changes in Net Position*. Table 3 provides a comparative of the components of the capital assets from 2011 to 2012. Table 4 shows changes in outstanding bonded debt from 2011 to 2012.

**TABLE 1  
SUMMARY OF NET POSITION  
DECEMBER 31,**

	<b>2012</b>	<b>2011</b>
Current assets	\$ 19,742,392	\$ 18,359,917
Capital assets, net	25,339,278	26,302,610
Restricted assets	203,806	466,982
Other assets	<u>7,763,678</u>	<u>8,635,301</u>
Total assets	53,049,154	53,764,810
Current liabilities	1,937,699	4,645,005
Noncurrent liabilities	<u>106,968,086</u>	<u>88,813,145</u>
Total liabilities	108,905,785	93,458,150
Deferred inflows of resources	<u>16,082</u>	-
Net position invested in capital assets	11,433,956	13,099,415
Restricted net assets	7,999,771	7,088,014
Unrestricted	<u>(75,306,440)</u>	<u>(59,880,769)</u>
Total net position	<u><u>\$(55,872,713)</u></u>	<u><u>\$(39,693,340)</u></u>

**TABLE 2  
SUMMARY OF CHANGES IN NET POSITION  
FOR THE YEARS ENDED DECEMBER 31,**

	<b>2012</b>	<b>2011</b>
<b>Revenues</b>		
Property taxes	\$ 44,351,860	\$ 42,932,180
Local enabling taxes	2,555,041	2,473,822
Charges for services	18,622,640	18,000,521
Operating grants	6,713,103	9,429,872
Rent	210,020	208,866
Interest	15,163	15,355
Miscellaneous	508,930	504,633
Total revenues	<u>72,976,757</u>	<u>73,565,249</u>
<b>Operating expenses</b>		
General government	12,457,210	13,390,880
Public safety	34,548,570	34,578,679
Sewers	7,235,487	7,616,648
Highway and streets	1,655,462	1,544,849
Sanitation	3,973,265	3,897,979
Community development	2,191,455	3,778,644
Public works	3,959,377	3,648,713
Leisure services	2,881,388	2,921,393
Library contribution	1,163,742	1,124,779
Interest	565,893	520,652
Loss on disposal of assets	9,975	33,337
Post employment benefits	17,745,110	17,522,980
Unallocated depreciation/amortization	67,069	85,022
Total program/function	<u>88,454,003</u>	<u>90,664,555</u>
Excess of total revenues over (under) expenses	(15,477,246)	(17,099,306)
Increase (decrease) in investment net of contribution	<u>(702,127)</u>	<u>97,064</u>
Change in net position	<u><u>\$(16,179,373)</u></u>	<u><u>\$(17,002,242)</u></u>

The Township's capital assets increased by \$451,287 net of deletions from 2011 to 2012 including construction in progress conversion to capital asset. Total fixed assets at December 31, 2012 were valued at \$61,171,298 before depreciation and not including investment in capital lease.

**TABLE 3  
CHANGES IN CAPITAL ASSETS INCLUDING CONSTRUCTION IN PROGRESS  
YEAR-TO-YEAR COMPARISON  
DECEMBER 31,**

<u>CAPITAL INVESTMENT</u>	<u>2012</u>	<u>2011</u>	<u>%Inc/Decr</u>
Land	\$ 4,652,790	\$ 4,637,840	0.32%
Buildings	15,878,219	15,872,509	0.04%
Equipment	17,597,593	17,215,626	2.22%
Infrastructure	23,042,696	19,641,685	17.32%
Construction in progress	-	3,352,351	-100.00%
Totals	<u>\$ 61,171,298</u>	<u>\$60,720,011</u>	0.74%

The Township, at December 31, 2012, had \$19,422,000 in outstanding general obligation bonds and notes. A new note was taken in 2012 in the amount of \$3,035,000 carrying an interest rate range from .30 percent to 1.5 percent on the bonds maturing annually to 2018. The 2006 note carries variable interest rates as does the 2010 bond. The 2008 note has an interest rate of 2.45%; and the 2009 note carries an interest rate of 2.29%.

**TABLE 4  
CHANGES IN OUTSTANDING GENERAL OBLIGATION BONDS AND NOTES  
DECEMBER 31,**

<u>SERIES</u>	<u>2012</u>	<u>2011</u>	<u>Inc. / Dec.</u>
Series of 1992C Bonds	\$ -	\$ 305,588	\$ (305,588)
Series of 2002 Bonds	-	2,860,000	(2,860,000)
Note of 2006	5,988,000	6,288,000	(300,000)
Note of 2008	3,024,000	3,151,000	(127,000)
Series of 2010 Bonds	4,100,000	4,750,000	(650,000)
Note of 2009	3,480,000	3,485,000	(5,000)
Series 2012 Bonds	2,830,000	-	2,830,000
Accreted interest 1992C	-	829,412	(829,412)
Total outstanding debt	<u>\$19,422,000</u>	<u>\$21,669,000</u>	<u>\$(2,247,000)</u>

**ECONOMIC DEVELOPMENT**

Upper Darby Township continues to make Economic Development a priority. The Administration and Township Council are focused on the goals presented in the Township's Comprehensive Plan.

The Market Street and 69<sup>th</sup> Street area is the Township's main business center. This area offers a vibrant mixed use area with regional transit access, walkable streets, entertainment venues and quality retail establishments. The Ashkenazy Corporation

owns the majority of the property along the 69<sup>th</sup> Street business district. This property owner is committed to restoring the infrastructure of the shopping district and continues to make investment in improving the property facades and an overall clean up of the street. While the 69<sup>th</sup> Street shopping area saw Sears and Marshall's retail operations close, we have seen work permits pulled for three buildings targeted for rehabilitation. It is anticipated that the Burlington Coat Factory, Ross Dress Store and H and M retail will open new operations in the refurbished buildings in 2013. A little off the Market Street/West Chester Pike strip on the 7000 block of Terminal Square, the national supermarket chain H-Mart has been a huge success. This Korean owned chain has been very successful in its efforts to serve the diverse Upper Darby community. The H-Mart complex, also houses a full service market, a food court and a bank.

The Township, through its economic development efforts, has established a reputation as a business friendly municipality. Upper Darby Township continues to work with the Southeastern Transportation Authority on the development of a parking garage in the area of 69<sup>th</sup> and Market Streets. The Township has partnered with SEPTA on the parking garage project with the proposed garage scheduled to be built on the SEPTA parking lot adjacent to the 69<sup>th</sup> Street transportation terminal. This joint partnership, while still focusing on redevelopment of the Septa parking lot budget constraints, has moved the project beyond the 2016 Capital Planning. In addition SEPTA and the Township Administration are working together to refurbish the Primos and Secane train station on the Media Elwyn train line. The Primos station which will include enhanced and expanded parking is scheduled for completion in the spring on 2013.

Township officials continue to encourage and work with the business communities within the Township like the Aronimink Business Association, Long Lane Business Association and the West Chester Pike Business Association. The Township Administration received a Transportation Community Development Initiative Grant from the Delaware Valley Regional Planning Commission in 2011 for a comprehensive study and preliminary design of traffic flow, parking and streetscaping conditions along the West Chester Pike business corridor. These and other activities are in keeping with the goal of the Township's Comprehensive Plan. This study should be completed in the spring of 2013. The Administration was pleased to welcome the Chickie and Pete's Sports Bar to the Pilgrim Garden Shopping Center in the spring of 2012. The Township will continue to promote all business districts in the community while attempting to avoid cross competition among the business districts.

In addition, as a result of the joint cooperative efforts with the county, the Township continued to provide a safe and friendly environment at the Kent Dog Park. The Township continues its joint work with the county on the long range plans for a walking trail along the Darby Creek.

Township officials, along with the Delaware County Commerce Center, will continue to market the large developable parcel of ground at the intersection of Baltimore and Union Avenues and State Road and Lansdowne Avenue

The Township continues to support the concepts of the Department of Justice Weed and Seed grant program. The Department of Justice discontinued funding for the Weed and Seed program in 2011. The Township, with other grants, continues its support of the program's goal to weed out drugs and crime and through faith based organizations and seed the area with programs to prevent the return of drugs and crime. The Weed and

Seed staff has initiated an aggressive program to reach out into the community with programs. In 2012 these programs included topics such as parenting skills, how to improve your credit seminars, first time homebuyers programs, how to start a small business, along with activities related to English as a second language and immigration law and regulations..

The Weed and Seed staff, together with the Upper Darby Welcome Center staff, and the Chamber of Commerce, continues their outreach program to local community businesses to help assess their skills and needs as business owners. This effort was enhanced with the staffing of a police substation on Long Lane. This substation, manned by a civilian employee of the Police Department, is just one of the additional efforts by the Township to reach out and identify the community's needs.

In 2012 the Upper Darby Performing Arts Center, in a joint effort between the Upper Darby School District and Upper Darby Township, continues its mission to develop young people and the magic of their talents through participation in theatrical performances for the entire family. Through the Summer Stage and Main Stage Theater this group performed eight theater productions for all to enjoy.

#### **TO CONTACT TOWNSHIP MANAGEMENT AND REQUESTS FOR INFORMATION**

This financial report is designed to provide our clients, taxpayers, customers, investors and creditors with a general overview of the Township's finances and to demonstrate the Township's accountability for its funds. If you have questions regarding this report or would like additional information, contact the Chief Administrative Officer, Upper Darby Township, Long Lane and Garrett Road, Upper Darby, PA 19082.

Complete financial statements for the Upper Darby Township and Sellers Memorial Library can be obtained from its administrative office: 76 S. State Road, Upper Darby, PA 19082.



THE TOWNSHIP OF UPPER DARBY

STATEMENT OF NET POSITION

DECEMBER 31, 2012

	Primary	Component Units	
	Government	UD Township	Weed and
		Sellers	Seed
	Governmental	Memorial	Center for
	Activities	Library	Family Safety
<b>ASSETS</b>			
Cash and cash equivalents	\$ 11,726,622	\$ 430,939	\$ 56,785
Investment	-	27,437	-
Receivables (net of allowance for uncollectibles)	7,492,125	7,937	144,194
Due from other governments	523,645	-	-
Prepaid assets	-	13,836	-
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	203,806	-	-
Capital assets (net of accumulated depreciation):			
Land and non-depreciable historical site	4,652,790	464,385	-
Buildings and improvements	2,130,089	278,110	-
Leasehold improvements	-	31,514	-
Machinery and equipment	6,440,633	11,338	-
Infrastructure	12,115,766	-	-
Library books and materials	-	68,519	-
Investment in Wastewater Treatment Plant	7,763,678	-	-
Total assets	<u>53,049,154</u>	<u>1,334,015</u>	<u>200,979</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	-	-	-
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	1,515,428	114,898	13,480
Overdraft liability	195,236	-	-
Due to other entities	126,350	-	173,715
Escrow liability	100,685	-	-
Unearned grant revenue	346,300	9,721	-
Long-term liabilities:			
Due within one year	2,708,000	-	-
Due in more than one year	103,913,786	-	-
Total liabilities	<u>108,905,785</u>	<u>124,619</u>	<u>187,195</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unamortized bond premiums	16,082	-	-
	<u>16,082</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	11,433,956	-	-
Restricted for:			
Capital projects	7,296,299	-	-
Debt service	703,472	-	-
Unrestricted	(75,306,440)	1,209,396	13,784
Total net position	<u>\$ (55,872,713)</u>	<u>\$ 1,209,396</u>	<u>\$ 13,784</u>

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

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2012

	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grant and Contributions	Primary Government Activities	Component Units
<b>Functions/Programs</b>						
<b>Primary Government:</b>						
General governmental	\$ 12,457,210	\$ 158,208	\$ -	\$ -	\$ (12,299,002)	\$ -
Public safety	34,548,570	2,154,731	2,402,889	-	(29,990,950)	-
Sewers	7,235,487	7,853,089	-	-	617,602	-
Highways and streets	1,655,462	656,977	1,524,042	-	525,557	-
Sanitation	3,973,265	4,163,694	80,811	-	271,240	-
Community development	2,191,455	94,518	2,342,684	-	245,747	-
Street lights, electric, parking and public works	3,959,377	-	-	-	(3,959,377)	-
Leisure services, COSA and parks	2,881,388	558,764	301,307	-	(2,021,317)	-
Library contribution	1,163,742	-	-	-	(1,163,742)	-
Interest on long-term debt	565,893	-	-	-	(565,893)	-
Post employment benefits	17,745,110	-	-	-	(17,745,110)	-
Non-allocated depreciation/amortization	67,069	-	-	-	(67,069)	-
Total governmental activities	<u>\$ 88,444,028</u>	<u>\$ 15,639,981</u>	<u>\$ 6,651,733</u>	<u>\$ -</u>	<u>(66,152,314)</u>	<u>-</u>
<b>Component Units:</b>						
UD Township and Sellers Memorial Library	\$ 1,585,536	\$ 82,408	\$ 1,507,882	\$ -		4,754
Weed and Seed Center for Family Safety	141,090	12,915	133,535	-		5,360
Total component unit	<u>\$ 1,726,626</u>	<u>\$ 95,323</u>	<u>\$ 1,641,417</u>	<u>\$ -</u>		<u>10,114</u>
<b>General Revenues:</b>						
Property taxes					44,351,860	-
Local enabling taxes					2,555,041	-
Cable television					1,325,460	-
Joint project sewers					1,657,199	-
Grants and contributions not restricted to a specific program					61,370	-
Investment earnings					15,163	3,482
Refunds and reimbursements					444,455	-
Miscellaneous income					64,475	-
Loss on sale of fixed assets					(9,975)	-
Increase (decrease) in investment value					(702,127)	-
Rent					210,020	-
Total general revenues					<u>49,972,941</u>	<u>3,482</u>
Change in net position					(16,179,373)	13,596
Net position - beginning					<u>(39,693,340)</u>	<u>1,209,584</u>
Net position - ending					<u>\$ (55,872,713)</u>	<u>\$ 1,223,180</u>

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

THE TOWNSHIP OF UPPER DARBY

BALANCE SHEET  
GOVERNMENTAL FUNDS

DECEMBER 31, 2012

	General Fund	Sewer Rental Fund	Highway Aid Fund	Debt Service Fund	Sewer Rental Capital Fund	Capital Project Fund	Other Governmental Funds	Totals Governmental Funds
<b>ASSETS</b>								
Cash and cash equivalents	\$ 3,152,274	\$ -	\$ -	\$ 588,326	\$ 1,543,349	\$ 5,726,283	\$ 716,390	\$ 11,726,622
Property tax receivable (net of allowance for uncollectibles)	2,450,784	-	-	159,551	-	-	-	2,610,335
Sewer assessments (net of allowance for uncollectibles)	-	2,722,247	-	-	-	-	-	2,722,247
Other receivables	2,147,913	-	-	-	-	-	11,630	2,159,543
Due from other funds	517,102	-	-	96,669	-	-	50	613,821
Due from other municipalities/entities	173,714	323,264	-	-	26,667	-	-	523,645
Restricted cash	-	31,055	172,751	-	-	-	-	203,806
Total assets	8,441,787	3,076,566	172,751	844,546	1,570,016	5,726,283	728,070	20,560,019
<b>DEFERRED OUTFLOWS OF RESOURCES</b>								
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	\$ 8,441,787	\$ 3,076,566	\$ 172,751	\$ 844,546	\$ 1,570,016	\$ 5,726,283	\$ 728,070	\$ 20,560,019

LIABILITIES AND FUND BALANCES

Liabilities:								
Accounts payable	\$ 531,485	\$ 417,772	\$ -	\$ -	\$ 9,287	\$ 52,515	\$ -	\$ 1,011,059
Overdraft liability	-	195,236	-	-	-	-	-	195,236
Accrued payroll and related costs	433,069	38,744	32,556	-	-	-	-	504,369
Due to other governments or entities	13,638	-	-	-	-	-	112,712	126,350
Due to other funds	8,600	202,306	100,000	-	-	-	302,915	613,821
Unearned revenue	-	-	-	-	-	-	346,300	346,300
Escrow	100,685	-	-	-	-	-	-	100,685
Total liabilities	1,087,477	854,058	132,556	-	9,287	52,515	761,927	2,897,820
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Unavailable taxes, sewer fees and trash fees	3,236,061	1,775,109	-	141,074	-	-	-	5,152,244
Total liabilities and deferred inflows of resources	4,323,538	2,629,167	132,556	141,074	9,287	52,515	761,927	8,050,064

DEFERRED INFLOWS OF RESOURCES

Unavailable taxes, sewer fees and trash fees	3,236,061	1,775,109	-	141,074	-	-	-	5,152,244
Total liabilities and deferred inflows of resources	4,323,538	2,629,167	132,556	141,074	9,287	52,515	761,927	8,050,064

Fund balances:

Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	32,351	32,351
Committed for:								
Debt service	-	-	-	703,472	-	-	-	703,472
Capital projects	-	-	-	-	-	5,673,768	-	5,673,768
Assigned to 2013 appropriation	500,000	-	-	-	-	-	-	500,000
Unassigned	3,618,249	447,399	40,195	-	1,560,729	-	(66,208)	5,600,364
Total fund balance	4,118,249	447,399	40,195	703,472	1,560,729	5,673,768	(33,857)	12,509,955

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

	\$ 8,441,787	\$ 3,076,566	\$ 172,751	\$ 844,546	\$ 1,570,016	\$ 5,726,283	\$ 728,070	\$ 20,560,019
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The accompanying notes to the financial statements are an integral part of this statement.

THE TOWNSHIP OF UPPER DARBY

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2012

<b>Total fund balances - governmental funds</b>		\$ 12,509,955
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:		
Land	\$ 4,652,790	
Infrastructure assets	23,042,696	
Other capital assets	33,475,812	
Construction in progress	-	
Accumulated depreciation	<u>(35,832,020)</u>	
Total capital assets		25,339,278
Investment in Wastewater Treatment Plant		7,763,678
Some revenues may be collected after year-end but are not available soon enough for the current period expenditures and therefore are deferred in the funds.		
		5,152,244
Bond discounts and premiums are capitalized and amortized in the government-wide statements (shown as net)		
		(16,082)
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Bonds and notes payable, compensated absences and other post employment benefits		<u>(106,621,786)</u>
Net position of governmental activities		<u>\$ (55,872,713)</u>

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

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2012

	REVENUES					EXPENDITURES		OTHER FINANCING SOURCES (USES) OF FUNDS		EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS		Total Governmental Funds
	General Fund	Sewer Rental Fund	Highway Aid Fund	Debt Service Fund	Sewer Rental Capital Fund	Capital Project Fund	Other Governmental Funds	Proceeds of bonds	Refunding of bonds	Operating transfer in	Operating transfer out	
Property taxes and assessments	\$ 41,748,665	\$ -	\$ -	\$ 2,522,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,271,148
Sewer rentals/penalties and interest	7,375,377	7,375,377	-	-	-	-	-	-	-	-	-	14,750,754
Local enabling act taxes	2,555,041	-	-	-	-	-	-	-	-	-	-	2,555,041
Licenses-permits	2,653,652	-	-	-	-	-	-	-	-	-	-	2,653,652
Fines and forfeits	768,907	-	-	-	-	-	-	-	-	-	-	768,907
Rent	210,020	-	-	-	-	-	-	-	-	-	-	210,020
Investment earnings	13,022	22	521	-	304	1,293	-	-	-	-	1	15,163
Public utility realty tax	61,370	-	-	-	-	-	-	-	-	-	-	61,370
Grants and entitlements	2,486,643	-	1,353,512	-	-	-	-	-	-	-	31,571	3,871,126
Delaware County Office of Services for the Aging (COSA)	301,307	-	-	-	-	-	-	-	-	-	-	301,307
Departmental earnings	5,818,729	-	-	-	-	-	-	-	-	-	-	5,818,729
Joint projects other municipalities	-	1,657,189	-	-	-	-	-	-	-	-	-	1,657,189
Pennsylvania contribution for pension and volunteer fireman	2,377,139	-	-	-	-	-	-	-	-	-	-	2,377,139
Other revenue	444,455	-	-	4,689	-	-	-	-	-	-	-	449,144
Sewer fund reimbursement	889,472	-	-	-	-	-	-	-	-	-	-	889,472
Total revenues	60,128,422	9,032,596	1,354,033	2,527,172	304	1,293	31,572	-	-	-	-	73,075,994
Current:												
General government	11,436,705	-	-	-	-	-	-	-	-	-	1,100	11,437,805
Public safety/including police and fire pension contribution	33,743,764	-	-	-	-	-	-	-	-	-	-	33,743,764
Sewer	-	8,044,579	-	-	-	-	-	-	-	-	-	8,044,579
Highways and streets	-	-	1,355,054	-	-	-	-	-	-	-	-	1,355,054
Health and sanitation	3,904,031	-	-	-	-	-	-	-	-	-	-	3,904,031
Community development	2,191,455	-	-	-	-	-	-	-	-	-	-	2,191,455
Street lights, electric, parking and public works	3,475,993	-	-	-	-	-	-	-	-	-	-	3,475,993
Leisure services, COSA and parks	2,759,199	-	-	-	-	-	-	-	-	-	-	2,759,199
Volunteer fire allocation	289,348	-	-	-	-	-	-	-	-	-	-	289,348
Municipal pension contribution	728,888	-	-	-	-	-	-	-	-	-	-	728,888
Library contribution	1,163,742	-	-	-	-	-	-	-	-	-	-	1,163,742
Debt service:												
Principal	-	-	-	2,422,000	-	-	-	-	-	-	-	2,422,000
Interest	-	-	-	430,672	-	-	135,221	-	-	-	-	565,893
Cost of issuance	-	-	-	-	-	-	107,464	-	-	-	-	107,464
Capital outlay:												
Recreation	-	-	-	-	-	60,863	-	-	-	-	-	60,863
Community development	-	-	-	-	-	-	31,571	-	-	-	-	31,571
Highways and streets and sewers	-	-	-	-	136,296	326,378	-	-	-	-	-	462,674
Public safety	-	-	-	-	-	174,927	-	-	-	-	-	174,927
Departmental	-	-	-	-	-	32,161	-	-	-	-	-	32,161
Total expenditures	59,693,125	8,044,579	1,355,054	2,852,672	136,296	594,329	275,356	-	-	-	-	72,951,411
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	435,297	988,019	(1,021)	(325,500)	(135,992)	(593,036)	(243,784)	-	-	-	-	128,983
OTHER FINANCING SOURCES (USES) OF FUNDS												
Proceeds of bonds	-	-	-	-	-	-	3,035,000	-	-	-	-	3,035,000
Refunding of bonds	-	-	-	-	-	-	(2,860,000)	-	-	-	-	(2,860,000)
Operating transfer in	-	-	-	207,762	67,885	-	67,885	-	-	-	-	343,132
Operating transfer out	-	(343,132)	-	-	-	-	-	-	-	-	-	(343,132)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS	435,297	644,887	(1,021)	(117,738)	(68,307)	(593,036)	(1,099)	-	-	-	-	298,983
FUND BALANCE - BEGINNING	3,682,952	(197,488)	41,216	821,210	1,529,036	6,286,804	(32,758)	-	-	-	-	12,210,872
FUND BALANCE - ENDING	\$ 4,119,249	\$ 447,399	\$ 40,195	\$ 703,472	\$ 1,560,729	\$ 5,673,768	\$ (33,857)	\$ -	\$ -	\$ -	\$ -	\$ 12,509,955

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

**THE TOWNSHIP OF UPPER DARBY**  
**RECONCILIATION OF THE CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

**Net change in fund balances - total governmental funds** \$ 298,983

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

Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period these amounts were:

Capital outlay	\$ 461,788	
Depreciation expense	(1,415,144)	
Amortization expense	<u>124</u>	(953,232)

Sale of fixed assets are reflected as revenue or expenditure in the governmental funds; the gain or loss net of depreciation is reflected in the government wide statements net of proceeds (9,975)

Repayment of long term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. In the current year, these amounts consisted of:

Principal repayment	2,422,000
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Bond proceeds are recognized as other sources of revenue in the governmental funds, but are resultant in an increased liability in the government wide statement-net of refunding (175,000)

Adjustment for conversion to GASB 65 with the expense of unamortized bond issuance costs (165,725)

Long-term compensated absences and other post employment benefits are reported in the statement of net assets; changes in the liability are reported as an expense in the Statement of Activities (17,684,224)

The Township makes capital payments to a third party which is reported net on the Statement of Net Assets, but which is reported as an expenditure on the governmental fund; net of increase in investment in capital lease with third party. (702,127)

Some revenues are not collected for several months or longer after the Township's year-end. They are not considered "available" revenues and are deferred in the governmental funds. Those amounts were for real estate taxes, sewer assessments and trash collections and reflected prior years revenues collected in the current period and are shown as net 789,927

Changes in net position of governmental activities \$ (16,179,373)

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

**TOWNSHIP OF UPPER DARBY  
STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2012**

	<b>POLICE PENSION PLAN</b>	<b>MUNICIPAL EMPLOYEES PENSION PLAN</b>	<b>FIREFIGHTER'S PENSION PLAN</b>	<b>LIBRARY TRUST FUND</b>	<b>SELF INSURANCE TRUST FUND</b>	<b>TOTAL</b>
<b>Assets</b>						
Cash and cash equivalents	\$ 1,913,419	\$ 1,281,071	\$ 567,345	\$ 3,186	\$ 1,527,648	\$ 5,292,669
Investments (at market value)	45,052,079	51,342,303	17,054,727	-	-	113,449,109
Interest receivable	-	112,714	-	-	-	112,714
Prepaid expense	12,634	2,422	9,279	-	-	24,335
Contribution receivable	52,443	46,169	23,002	-	-	121,614
Total assets	<u>47,030,575</u>	<u>52,784,679</u>	<u>17,654,353</u>	<u>3,186</u>	<u>1,527,648</u>	<u>119,000,441</u>
<b>Liabilities</b>						
Accounts payable	10,000	6,655	12,250	3,170	-	32,075
Escrow	-	-	-	-	1,527,648	1,527,648
	<u>10,000</u>	<u>6,655</u>	<u>12,250</u>	<u>3,170</u>	<u>1,527,648</u>	<u>1,559,723</u>
<b>Net position</b>						
Restricted	<u>\$ 47,020,575</u>	<u>\$ 52,778,024</u>	<u>\$ 17,642,103</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 117,440,718</u>

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

**TOWNSHIP OF UPPER DARBY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2012**

	POLICE PENSION PLAN	MUNICIPAL EMPLOYEES PENSION PLAN	FIREFIGHTER'S PENSION PLAN	LIBRARY TRUST FUND	SELF INSURANCE TRUST FUND	TOTAL
<b>Additions:</b>						
<b>Contributions:</b>						
State subsidies - Act 205	\$ 958,397	\$ 715,221	\$ 386,220	\$ -	\$ -	\$ 2,059,838
Employee contributions	676,267	615,314	274,535	-	-	1,566,116
Township contributions	3,455,646	13,667	431,762	-	-	3,901,075
Donations	-	-	-	12,677	-	12,677
Miscellaneous income	1,641	11,520	3,158	-	-	16,319
<b>Total contributions</b>	<u>5,091,951</u>	<u>1,355,722</u>	<u>1,095,675</u>	<u>12,677</u>	<u>-</u>	<u>7,556,025</u>
<b>Investment earnings:</b>						
Net appreciation in fair value of investments	4,100,047	4,378,491	1,613,394	-	-	10,091,932
Investment earnings	1,149,908	1,475,523	418,653	-	-	3,044,084
Less: investment expense	(147,450)	(243,799)	(62,831)	-	-	(454,080)
<b>Total investment earnings</b>	<u>5,102,505</u>	<u>5,610,215</u>	<u>1,969,216</u>	<u>-</u>	<u>-</u>	<u>12,681,936</u>
<b>Total additions</b>	<u>10,194,456</u>	<u>6,965,937</u>	<u>3,064,891</u>	<u>12,677</u>	<u>-</u>	<u>20,237,961</u>
<b>Deductions:</b>						
Pension benefits	4,214,761	2,882,547	672,783	-	-	7,770,091
Donation to Library	-	-	-	12,677	-	12,677
Other services and charges	36,990	10,696	27,391	-	-	75,077
<b>Total deductions</b>	<u>4,251,751</u>	<u>2,893,243</u>	<u>700,174</u>	<u>12,677</u>	<u>-</u>	<u>7,857,845</u>
<b>Change in net position</b>	<u>5,942,705</u>	<u>4,072,694</u>	<u>2,364,717</u>	<u>-</u>	<u>-</u>	<u>12,380,116</u>
Net position - beginning of the year	41,077,870	48,705,330	15,277,386	16	-	105,060,602
Net position - end of the year	<u>\$47,020,575</u>	<u>\$52,778,024</u>	<u>\$ 17,642,103</u>	<u>\$ 16</u>	<u>\$ -</u>	<u>\$ 117,440,718</u>



COMPONENT UNIT

UPPER DARBY TOWNSHIP AND SELLERS MEMORIAL FREE PUBLIC LIBRARY

STATEMENT OF NET POSITION  
DECEMBER 31, 2012

<b>Assets</b>	
Cash and cash equivalents	\$ 430,939
Investments	27,437
Accounts receivable	7,937
Prepaid insurance	6,235
Prepaid expenses	7,601
Capital assets (net of accumulated depreciation)	
Land and non-depreciable historical site	464,385
Buildings and improvements	278,110
Leasehold improvements	31,514
Furniture and equipment	11,338
Library books and materials	68,519
Total assets	<u>\$ 1,334,015</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	\$ 114,898
Deferred grant revenue	9,721
Total liabilities	<u>124,619</u>
<b>Net Assets</b>	
Unrestricted	<u>1,209,396</u>
Total net assets	<u>1,209,396</u>

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

**COMPONENT UNIT**

**UPPER DARBY TOWNSHIP AND SELLERS MEMORIAL FREE PUBLIC LIBRARY**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2012**

**UNRESTRICTED NET ASSETS**

Revenues, gains and other support:

Upper Darby Township support:

Contribution	\$ 1,163,742
Donated capital	79,480
Sellers Trust Fund	<u>12,677</u>
Total Upper Darby Township support	<u>1,255,899</u>

Revenues from operations

Fines	34,362
Copier / computer / miscellaneous	31,503
Video rentals	<u>6,478</u>
Total revenues from operations	<u>72,343</u>

Other revenues

Investment income	2,024
Unrealized gain/(loss) in market value	<u>1,458</u>
Total other revenues	<u>3,482</u>

Grants and donations

Commonwealth of Pennsylvania	238,723
County of Delaware Aid	7,792
Grant	5,468
Fundraising / endowments / gifts	<u>10,065</u>
Total grants and donations	<u>262,048</u>

Total revenues, gains and other support

1,593,772

Expenses

Program expenses

Personnel	1,143,526
Library services	74,475

Support expenses

Facilities and equipment	147,899
Other supporting services	52,190
Pension	26,958
Depreciation	<u>140,488</u>

Total expenses

1,585,536

Change in net assets

8,236

Net assets - beginning of year

1,201,160

Net assets - end of year

\$ 1,209,396

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

COMPONENT UNIT

UPPER DARBY TOWNSHIP AND SELLERS MEMORIAL FREE PUBLIC LIBRARY

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2012

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers and users	\$ 69,203
Receipts from intergovernmental support	1,410,257
Donation received from intergovernmental support	9,508
Receipt of grant income	1,468
Miscellaneous cash income	10,065
Payments to suppliers	(266,025)
Payments to employees	(1,154,883)
Net cash provided by operating activities	<u>79,593</u>

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Purchases of capital assets	<u>(107,422)</u>
Net cash used by capital and related financing activities and related financing activities	<u>(107,422)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest and dividends income	<u>2,024</u>
Net cash provided by investing activities	<u>2,024</u>

Net increase (decrease) in cash and cash equivalents	(25,805)
Cash and cash equivalents January 1,	<u>456,744</u>
Cash and cash equivalents December 31,	<u>\$ 430,939</u>

**Reconciliation of operating income to net cash provided (used) by  
operating activities:**

Operating loss - non-inclusive of other revenues	\$ 4,754
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	140,488
Unrealized gain/(loss) in market value	(1,458)
Donated capital	(79,480)
(Increase) decrease in accounts receivable	(4,222)
(Increase) decrease in prepaid items	(8,357)
Increase (decrease) in accounts payable and accrued expenses	31,868
Increase (decrease) in deferred revenue	(4,000)
Total adjustments	<u>74,839</u>
Net cash provided by operating activities	<u>\$ 79,593</u>

COMPONENT UNIT

UPPER DARBY TOWNSHIP WEED AND SEED INC.  
CENTER FOR FAMILY SAFETY

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2012

<b>Assets</b>	
Cash	\$ 56,785
Accounts receivable	31,482
Due from other entity	112,712
Total assets	<u>\$ 200,979</u>
<b>Liabilities</b>	
Accounts payable	\$ 13,480
Due to Upper Darby Township	173,715
Total liabilities	<u>187,195</u>
<b>Net assets</b>	
Unrestricted	13,784
Total liabilities and net assets	<u>\$ 200,979</u>

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

COMPONENT UNIT

UPPER DARBY WEED AND SEED INC.  
CENTER FOR FAMILY SAFETY

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2012

**Unrestricted revenues, gains and other support**

Revenues and other additions	
Contributions	\$ 12,915
Grants	<u>133,535</u>
Total unrestricted revenues, gains and other support	<u>146,450</u>

**Expenses**

Program expenses	
Supplies and equipment	476
Travel and seminars	4,588
Consultants	97,725
Equipment	27,827
Miscellaneous	2,920
Community outreach	<u>7,554</u>
Total expenses	<u>141,090</u>

Change in unrestricted net assets 5,360

**Temporarily restricted net assets**

Change in temporarily restricted net assets -

**Permanently restricted net assets**

Change in permanently restricted net assets -

Change in net assets 5,360

Net assets - beginning of the year 8,424  
Net assets - end of the year \$ 13,784

COMPONENT UNIT

UPPER DARBY WEED AND SEED INC.  
CENTER FOR FAMILY SAFETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2012

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Donations from public	\$ 12,915
Receipt of grant income	113
Payments to suppliers	(129,610)
Net cash provided by operating activities	<u>(116,582)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>-</u>
Net decrease in cash and cash equivalents	(116,582)
Cash and cash equivalents January 1,	173,367
Cash and cash equivalents December 31,	<u>\$ 56,785</u>
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>	
Change in net assets	\$ 5,360
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
(Increase) decrease in:	
Accounts receivable	(20,710)
Due from other entity	(112,712)
Increase (decrease) in:	
Accounts payable and accrued expense	11,480
Net cash provided (used) by operating activities	<u>\$ (116,582)</u>
<b>Supplemental Disclosure</b>	
Income taxes paid	\$ -
Interest paid	\$ -

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

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

The Township's annual financial report includes the accounts of all Township operations. The accounting policies of the Township conform to generally accepted accounting principles (GAAP) as applicable to municipalities. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. Effective this period, GASB Statement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements* incorporates into GASB's authoritative literature certain accounting and financial reporting guidance included in Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants (AICPA) Committee on Accounting Procedure, which do not conflict with or contradict GASB pronouncements.

Also effective this reporting period, the Township has adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. GASB Statement No. 63 provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources, introduced and defined in GASB Concepts Statement No. 4. This Statement amends the net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The Township has decided to early implement GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement establishes accounting and financial reporting standards that reclassify as deferred outflows of resources or deferred inflows of resources certain items that were previously reported as assets and liabilities.

As required by generally accepted accounting principles, these financial statements present the financial position and results of operations of Upper Darby Township and its component units: Sellers Memorial Free Public Library, and the Weed and Seed Center for Family Safety, Inc. These component units are included in the Township's reporting entity because of the significance of its operational and/or financial relationship with the Township including financial accountability and fiscal dependency. Separate financial statements are available for the component units. The Township provides pension plans for the benefit of its employees. These plans are each administered independently of the Township with their own Boards of Directors and Administrators and are reported on separately but are made a part of these basic financial statements. Each plan's reports are available from the Board of each of the respective plans.

Following is a summary of the Township's significant accounting policies:

THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Basis of Presentation**

**Government Wide Financial Statements**

The Statement of Net Position and Statement of Activities display information about the government of Upper Darby Township as a whole. These statements include all funds of the reporting entity except for the fiduciary fund (The Library Fund). The statements distinguish between governmental and business type activities. The Township, however, does not have any proprietary or business type funds. One of its component units, however, does follow the accounting for not-for-profit entities. Governmental activities generally are financed through taxes, intergovernmental revenues and other non-exchange revenues.

**Fund Financial Statements**

The accounts of the Township are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The emphasis is placed on major funds within the governmental categories. A fund for the purposes of these financial statements is considered major if it is the primary operating fund (General Fund) or it meets the following criteria:

1. Total assets, liabilities, revenues or expenditures of the fund are at least ten percent of the total for all funds of that category or type; and
2. Total assets, liabilities, revenues or expenditures of the fund are at least five percent of the total for all funds combined.
3. Other funds not necessarily meeting the above criteria are shown in these financial statements as major per the Township's discretion.

The funds of the financial reporting entity are described as follows:

**Governmental Funds**

**General Fund:** General Fund is the general operating fund of the Township. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds:** The Special Revenue Funds account for revenue derived from specifically earmarked revenue sources. For the purposes of this report, the Special Revenue Funds are as follows: Sewer Rental and Highway Aid (shown here in as major funds), Historic Preservation, Community Forestry Grant, PECO Green Region, Weed and Seed, Municipal Building Improvements I, Upper Darby Football Bowl, Stormwater and Curb Replacement, and Community Development Grants (shown in these financial statements as Other Governmental Funds).



**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Debt Service Funds: The General Debt Service Fund is used to account for accumulation of resources for and the payment of general long-term debt principal and interest. In addition, a Sewer Rental Sinking Fund (shown here in as part of Other Governmental Funds) was established to account for the accumulation of resources for and the payment of debt principal and interest associated with the bond issues relative to sewer related capital expenditures.

Capital Project Funds: Capital Project Funds, both the General Obligation Bond Funds and Special Sewer Rental, are used to account for acquisition or construction of capital items and special projects. Principal sources of revenue for the Capital Project are municipal long-term debt proceeds and interest income. The Special Sewer Rental Fund revenue has been provided by the Sewer Rental surplus over the years to fund sewer system capital projects.

**Proprietary Funds/Component Unit**

The Township of Upper Darby has no Proprietary Funds. The Upper Darby Township and Sellers Memorial Free Public Library, shown in these statements as a component unit of the Township, is a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code, and for the purposes of these statements takes on the character of a proprietary fund for the discrete presentation of the financial information. Condensed financial statements are herein presented.

Complete financial information and statements of the Upper Darby Township and Sellers Memorial Free Public Library are available independently of these financial statements.

**Fiduciary Trust Funds**

Trust and Fiduciary Funds: The Township operates two Trust Fund: The Library Trust Fund and the self-insurance liability fund. However, as noted above, the Township considers the Police Pension Plan, the Municipal Employees Pension Plan and the Firefighter's Pension Plan to be fiduciary funds for the purpose of these financial statements due to the financial dependency on the Township's annual contribution even though these entities are managed by their own respective Boards of Directors.

**Major and Non-Major Funds**

The funds are either classified as major or nonmajor as follows:

Major Funds: General Fund, Sewer Rental Fund, Highway Aid Fund, Capital Projects, Sewer Rental Capital Projects and Debt Service Fund.

Nonmajor Funds include the following: Sewer Rental Sinking Fund, Historic Preservation, Community Forestry Grant, PECO Green Region, Weed and Seed, Municipal Building Improvements I, Upper Darby Football Bowl, Stormwater and Curb Replacement, and Community Development Grants.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Measurement Focus**

The accounting and reporting treatment applied to a fund is determined by its measurement focus. Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied. On the government-wide Statement of Net Position and Statement of Activities, governmental and business like activities (as applicable) are presented using the economic resources measurement focus. The objective of the economic resources measurement focus is the determination of operating income, changes in net assets, net position and cash flows (if applicable). All assets and liabilities, whether current or non-current, are reported. All Governmental Fund Types are accounted for on a current financial resources measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Operating statements of such funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

**C. Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities the governmental activities are presented using the accrual basis of accounting, as are the component units presented discretely herein. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under the 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 within sixty days of the year-end. Expenditures, including capital outlay are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due. Penalties and interest are recorded when received in cash because they are generally not measurable until actually received. Interest is accrued when its receipt occurs soon enough after the end of the accounting period so as to be both measurable and available.

**D. Compensated Absences**

The Township allows employees to accumulate unused sick leave and vacation time. Both are vesting and measured at year-end. Earned vacation for municipal employees is allowed to be carried up to two years in addition to the current year vacation time. All vacation vests for Police and Fire employees, however. Employees may accumulate unused sick leave to a maximum of 280 days upon retirement to be paid for one-half of the accumulated time.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Management considers compensated absences when budgeting salaries and benefits and always budgets at the gross salary levels to assure unpaid vacation, sick pay, and other employee amounts considered compensated resources to pay compensated absences when they occur. These compensated absences for accumulated vacation or sick pay are recorded as expenditures in governmental funds when paid. Non-uniform employees of the Township receive compensation for unused sick leave for each year at the beginning of the next calendar year. This amount, \$ 35,642 is shown as a current liability in the General Fund, \$5,478 as a current liability in the Sewer Rental Fund, and \$368 as a current liability in the Highway Aid Fund. As of December 31, 2012, the long-term liability for accrued vacation leave and accrued sick, of which \$5,374,799 is included in total of other post-employment benefits of \$86,186,800.

The liability for the long-term portion of compensated absences is recorded as long-term debt in the government-wide financial statements as part of the long term debt. In the fund financial statements, governmental funds report only the compensated absence liability payable from the expendable available financial resources—as noted above. A proprietary fund, such as the Township's library component unit, reports the liability as it is incurred.

**E. Budgets**

Budgets are legally adopted for the following funds: General, Sewer Rental, Highway Aid (Special Revenue Funds), and Debt Service Fund. Further, although the budget ordinance passed by the Township did not specifically reference the Sewer Rental Sinking Fund, funds were appropriated for debt service through that fund by transfer from the Sewer Rental Fund. Consequently, the Township has shown those debt service appropriations as part of the budget to actual statement for the Debt Service Funds.

Annual budgets for those funds with legally adopted budgets are prepared in the basis of accounting utilized by the respective funds. The Township's Home Rule Charter allows the Mayor of the Township to transfer part or all of any unencumbered appropriation balance among line items within a department; and upon written request of the Mayor allows Council by ordinance to transfer part or all of any unencumbered appropriation balance from one department, office or agency to another. Certain supplemental budgetary appropriations were performed during the period as reflected in the Budget to Actual Schedule relative to the General Fund. Excess appropriations lapse at the end of the fiscal year. Encumbrance accounting is utilized for budgetary control purposes and accountability. The Township recognized no outstanding encumbrances at year-end. Subsequent year appropriations provide the authority to complete committed transactions.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Reporting Entity**

In accordance with GASB Statement No. 14 "The Financial Reporting Entity", as amended by GASB Statement No. 39, the Township has evaluated all related entities for the possible inclusion into the financial reporting entity. In conformity with generally accepted accounting principles, the financial statements of the Upper Darby Township and Sellers Memorial Free Public Library and the Weed and Seed Center for Family Safety Program (a non-for-profit 501(c)(3) organization) have been included into the financial reporting entity. Condensed statements of each have been presented herein.

**G. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**H. Fixed Assets**

The accounting treatment over property, plant and equipment depends on whether such assets are reported in the government-wide or fund financial statements. In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost or estimated historical cost if actual is unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation. Estimated historical cost was used to value assets such as township buildings acquired prior to 1980. A value has not been determined for the land on which the buildings stand. The Township has adopted a capitalization policy of \$5,000 per individual asset.

In 1989, the Township acquired the Collenbrook Farm property, valued at \$400,000. The cost to the Township was \$200,000; however, the former owners of the property had sold a portion to the Township and donated the balance, for a total value of \$400,000 (See Note 12). This is non-depreciable property due to its historical classification.

Prior to January 1, 2003, governmental funds' infrastructure were not capitalized. These assets back to January 1, 1980 have been valued at estimated historical cost where exact records were unavailable and historical cost based on actual job cost records.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Depreciation of all exhaustible fixed assets is recorded as an allocated expense where possible in the Statement of Activities, a certain portion of which is shown as "unallocated" due to the asset's applicability to multiple functions of the government. Depreciation is provided over the assets' useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset as follows:

Buildings	30 years
Equipment	3-5 years
Machinery	10 years
Fire trucks	25 years
Infrastructure	40 –50 years

In the fund financial statements, fixed assets used in government fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Fixed assets used in proprietary fund operations (in the Township's case only the component unit) are accounted for the same as in the government-wide statements.

**I. Long-term Debt**

The accounting treatment of long-term debt depends on whether the assets are utilized in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental resources is reported as liabilities on the government-wide statements. The long-term debt consists of general obligation bonds payable and accrued compensated absences.

**J. Equity Classifications**

*Government-wide Statements*

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

- a. Net investment in capital assets —consists of capital assets including restricted capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted —consists of items within net position with constraints placed on the use either by outside groups such as grantors or laws and regulations of other governments; or through law.
- c. Unrestricted —includes all other net position that do not meet the definition of "restricted" or "investment in capital assets."

THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Fund Statements*

Governmental fund equity is classified as fund balance. In the fund financial statements, governmental fund balance is presented in five possible categories:

*Nonspendable*—resources which cannot be spent because they are either a) not in spendable form) or; b) legally or contractually required to be maintained intact.

*Restricted*—resources with constraints placed on the use of resources are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; b) imposed by law through constitutional provisions or enabling legislation.

*Committed*—resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

*Assigned*—resources neither restricted nor committed for which a government has a stated intended use as established by the Board or an official to which the Board has delegated the authority to assign amounts for specific purposes.

*Unassigned*—resources which cannot be properly classified in one of the other four categories. The General fund is the only fund that reports a positive unassigned fund balance amount. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

**K. Receivables**

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances in both government-wide and fund statements, particularly with regard to real estate taxes, sewer rental assessments and trash and rubbish collections are based upon historical trends. Non-exchange transactions collectible but not available such as the real estate taxes, sewer rental assessments and trash and rubbish are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting.

**L. Deferred Inflows and Outflows of Resources**

Deferred outflows of resources include such items as:

- Grants paid in advance to a grantee
- Deferred amounts from refunding of debt
- Decrease in value of derivative instruments
- Payments made to a pension fund after the actuarial year but before the end of the fiscal year

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Deferred inflows of resources include such items as:

- Grants received in advance when time requirements are the only eligibility requirement that has not been met
- Resources received in advance that are related to an imposed nonexchange transaction such as prepaid taxes
- Assets recorded in governmental fund financial statements for which revenue is not available such as taxes receivable, previously reported as "deferred" revenue in the fund financial statements
- Current and advance refunding related items
- Increase in fair value of derivative instruments
- Service concession arrangements for up-front payments.

**NOTE 2. DEPOSITS/INVESTMENTS/CASH EQUIVALENTS**

Investments are stated at fair market value. Generally, the policy of the Township is to limit its investments to Certificates of Deposit and Repurchase Agreements. The Township follows an investment policy pursuant to the Home Rule Charter or the First Class Township Code if not addressed in the Home Rule Charter.

The Township considers all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

**Custodial Risk—deposits** is the risk that in the event of a bank failure, the government's deposits may not be returned or the government will not be able to recover collateral securities in the position of an outside party. The entity does not have a policy for custodial credit risk.

Upper Darby Township, however, primarily maintains deposits either with financial institutions which, pursuant to Act No. 72 of Pennsylvania, pool assets required to be pledged to secure public deposits, the total value of the pool to equal not less than the sum of all the pledges required for each separate deposit, or in amounts insured by the Federal Deposit Insurance Corporation. Deposits for all funds are either fully insured or collateralized pursuant with Commonwealth of Pennsylvania statutes.

As of December 31, 2012, the aggregate bank balance of bank deposits included in cash and cash equivalents of the primary government and the fiduciary funds (without regard to the Pension Plans nor for the certificates of deposit within the self-insured fund which are not maintained by the Township) was \$11,933,614 of which \$1,000,000 is insured by the federal depository insurance (FDIC). Therefore, included in bank deposits is the remaining \$10,933,614 collateralized as noted above pursuant to Act 72. The bank deposits for the component units totaled \$465,725 of which \$306,725 was covered by the FDIC.

**Custodial Credit Risk—Investments** is the risk that in the event of a failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in position of an outside party. The risks of default are limited due to the constraints imposed upon allowable investment instruments.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 2. DEPOSITS/INVESTMENTS/CASH EQUIVALENTS (continued)**

Shown as part of Cash and Cash Equivalents are the Township's investments in the Pennsylvania Local Government Investment Trust (PLGIT) in the amount of \$1,545,014 in the General Fund; \$31,055 in the Sewer Rental Fund; \$1,406,537 in the Special Sewer Rental Fund; and \$5,297,148 in Capital Project Funds. The PLGIT investment portfolios are invested in full faith and credit obligations of the Commonwealth of Pennsylvania and its agencies, instrumentalities and political subdivisions. Collateralization requirements of Act No. 72, when required for deposits in excess of insurance limits are followed with respect to pooling, custody and type of collateral. Of the PLGIT investments noted above, \$250,000 is insured by the FDIC. The balance as noted above is collateralized within the requirements of Act No. 72. Because of this collateralization policy, the entity has no investments subject to custodial credit risk.

Police Pension Plan

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the Plan's deposits may not be returned. At December 31, 2012, the carrying amount and the balance of the Plan's deposits in cash and cash alternatives was held with Ameritrade of which \$250,000 was covered by FDIC insurance.

**Investments**

In accordance with Government Accounting Standards Board (GASB) No. 25, investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Unrealized gains and/or losses due to fluctuations in market value are recorded in the financial statements. Securities traded on national exchanges are valued at the last reported sales price. Realized gains or losses are recorded at the time of sale. Net appreciation or depreciation in the fair value of plan investments include both realized and unrealized gains and losses and related fees as well as investment. Plan investments at year end are as follows:

Vanguard Mid Cap Index Fund	\$ 2,819,128
Vanguard Small Cap Index Fund	2,821,307
Vanguard Total Bond Market Index Fund	10,599,712
Vanguard Value ETF Prime Market Fund	6,984,111
Vanguard International Equity Index Fund	9,803,722
Vanguard Value Index Fund	7,036,949
Vanguard Emerging Market Index Fund	2,323,130
Vanguard REIT ETF Index	1,656,120
Ishares IBOX Hi Yield Cap Bond Fund	1,007,900
	\$ 45,052,079



**THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012**

**NOTE 2. DEPOSITS/INVESTMENTS/CASH EQUIVALENTS (continued)**

Investments in the following funds exceeded more than 5% of the plan net position at December 31, 2012:

Vanguard Mid Cap Index Fund	\$ 2,819,128
Vanguard Small Cap Index Fund	2,821,307
Vanguard Total Bond Market Index Fund	10,599,712
Vanguard Value ETF Prime Market Fund	6,984,111
Vanguard International Equity Index Fund	9,803,722
Vanguard Value Index Fund	7,036,949
Vanguard Emerging Market Index Fund	2,323,130
	<u>\$ 42,388,059</u>

Pension fund investments, pursuant to Government Accounting Standards Board Statement Nos. 3 and 40, are categorized to give an indication of the level of risk assumed by the Plan at December 31, 2012. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plan and are held by either counterparty or the counterparty's trust department or agent but not in the Plan's name. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities in the possession of an outside party.

The securities are registered in the name of the Plan, thus they are not subject to credit risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. Generally, the longer the maturity of an investment, the greater sensitivity of its fair value to changes in market interest rates. The Board has no formal policy that limits investment maturities as a means of managing its exposure to interest rate risk. The Board has, however, adopted a long-term investment policy to weigh the chances and duration of investment losses against the long-term potential for appreciation of assets. Investments in mutual funds and certain investment pools are excluded from this requirement.

**Municipal Employee Pension Plan**

In accordance with Government Accounting Standards Board (GASB) No. 25, investments are reported at fair value. Short-term investments such as in money market are reported at cost, which approximates fair value. Unrealized gains and/or losses due to fluctuations in market value are recorded in the financial statements. Securities traded on national exchanges are valued at the last reported sales price. Realized gains or losses are recorded at the time of sale. Net appreciation or depreciation in the fair value of plan investments includes both realized and unrealized gains and losses. All Plan investments are held by PNC Financial Services in the name of the bank's nominee.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 2. DEPOSITS/INVESTMENTS/CASH EQUIVALENTS (continued)**

**Concentrations**

At December 31, 2012, the Plan held the following investments which were in excess of 5% of the Plan's net position (\$ 2,631,168):

	\$
Dodge and Cox Income fund	3,388,093
Fidelity Advisor Floating High Income fund	\$ 2,930,119
PIMCO Funds-Total return bond fund	\$ 3,334,584

**Deposits and Investments**

Pension fund investments, pursuant to Government Accounting Standards Board Statement Nos. 3 and 40, are categorized to give an indication of the level of risk assumed by the Fund securities are uninsured, are not registered in the name of the Plan and are held by either a counterparty or the counterparty's trust department or agent but not in the Plan's name. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The securities are registered in the name of the Plan, thus they are not subject to credit risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. Generally, the longer the maturity of an investment, the greater sensitivity of its fair value to changes in market interest rates. The Board has no formal policy that limits investment maturities as a means of managing its exposure to interest rate risk. The Board has, however, adopted a long-term investment policy to weigh the chances and duration of investment losses against the long-term potential for appreciation of assets. Investments in mutual funds and certain investment pools are excluded from this requirement.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 2. DEPOSITS/INVESTMENTS/CASH EQUIVALENTS (continued)**

Following is the fair value of investments at December 31, 2012:

	MOODY'S RATING	FAIR VALUE	DURATION
Cash and Cash Equivalents	n/a	\$ 1,281,071	n/a
Investments			
Mutual funds	n/a	16,071,044	n/a
Equities	n/a	27,142,343	n/a
Fixed income			
	A1	61,384	5.75-8
	A2	249,460	.9-9.41
	A3	378,789	.83-6.5
	AA1	20,028	4.92
	AA2	182,367	2.75-8.66
	AA3	178,149	1.08-8.25
	AAA	4,708,421	.04-31.04
	BAA1	630,997	3.25-10.75
	BAA2	895,250	1.25-11
	BAA3	295,307	2.42-9.9
	Unrated	528,764	7.66-19
		<u>\$ 52,623,374</u>	

**Firefighters' Pension Plan**

In accordance with Government Accounting Standards Board (GASB) No. 25, investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Unrealized gains and/or losses due to fluctuation in market value are recorded in the financial statements. Realized gains or losses are recorded at the time of sale. Assets of the plan are managed by two investment advisors, Wealth Management Services through Schwab and INR with Ameritrade acting as custodian and trustee for INR investments. Net appreciation in the fair value of plan investments includes both realized and unrealized gains and losses. For those funds which are managed by INR, related fees are primarily included in the appreciated or depreciated value of the fund and included in the net appreciation/(depreciation) section of these financial statements. Investment fees charged by Wealth Management and INR are discretely presented herein.

Ameritrade, at December 31, 2012, held plan assets in investments as follows:

Investments at fair value:	
Vanguard Mid Cap Index Fund	\$ 631,903
Vanguard Small Cap Index Fund	632,395
Vanguard Total Bond Market Index Fund*	1,448,761
Vanguard Value ETF Prime Market Fund*	1,576,252
Vanguard International Equity Index Fund*	2,196,686
Vanguard Growth ETF Prime Market Fund *	1,564,394
Vanguard Emerging Markets	520,199
Vanguard REIT ETF Index	370,980
Ishares IBOX Hi Yield Cap Bond Fund	138,251
	<u>\$ 9,079,821</u>

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 2. DEPOSITS/INVESTMENTS/CASH EQUIVALENTS (continued)**

\*\*Indicates an investment of more than five percent of the plan net position at December 31, 2012.

Wealth Management Services held plan assets in investments at December 31, 2012 as follows:

Equities and equity funds	\$ 5,103,484
Mortgage pools and asset backed maturities	752,893
Bond funds	1,118,529
Structured settlement - WMS Chestnut Fund Trust	1,000,000
	<u>\$ 7,974,906</u>

The Plan's investment in the WMS Chestnut Fund Trust was the only individual investment or funds held on behalf of the Plan by Wealth Management Services exceeded more than 5% of the plan net position at December 31, 2012.

Pension Fund investments, pursuant to Government Accounting Standards Board Statement Nos. 3 and 40 are categorized to give an indication of the level of risk assumed by the Fund at December 31, 2012. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government and are held by either a counterparty or the counterparty's trust department or agent but not in the government's name. Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Plan will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The securities are managed by INR through Ameritrade are registered in the name of the Plan, thus they are not subject to credit risk. Investments managed by Wealth Management Services are held by a counterparty. Although the account itself is in the Plan name, the individual investments are held in the name of the nominee. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment or deposit. Generally, the longer the maturity of an investment, the greater sensitivity of its fair value to changes in market interest rates. The Board has no formal policy that limits investment maturities as a means of managing its exposure to interest rate risk. The Board has, however, adopted a long-term investment policy to weigh the chances and duration of investment losses against the long-term potential for appreciation of assets. Investments in mutual funds and certain investment pools are excluded from this requirement.

**NOTE 3. PROPERTY TAXES**

Property taxes in arrears attach as an enforceable lien on property as of February 28 of each year. Taxes were levied on February 1, 2012. A 2% discount was generally allowed if payment was made by March 31, 2012. The Township property tax revenue is recognized when levied to the extent that they result in current receivables. The Township levied taxes at the rate of \$16.79 per \$1,000 of assessed valuation. The penalty period begins June 1<sup>st</sup> of each year. A ten percent penalty is assessed at that point. Taxes are returned to the County for collection after February 28 of the subsequent year.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 3. PROPERTY TAXES (continued)**

An allowance for uncollectible accounts has been established at 30 percent of the balance of taxes owed in the amount of \$1,116,807 as of December 31, 2012. A reserve has been established, shown on the fund financial statements as deferred inflow, representing that portion of net delinquent taxes not expected to be available and measurable as revenue in the current period. The government-wide financial statements do not show such a deferral as consistent with the accrual basis of accounting.

Following are schedules detailing property taxes and their appropriation to the various funds for the year ended December 31, 2012, property taxes received from prior years assessments, and a ten year summary of property taxes showing the relationship between amount levied and that actually collected.

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF REAL ESTATE TAXES - 2012 DUPLICATE

YEAR ENDED DECEMBER 31, 2012

	<u>ASSESSED VALUATION</u>	<u>TOTAL TAX LEVY</u>	<u>GENERAL FUND</u>	<u>SINKING FUND</u>
Tax rate in mills		16.79	15.84	0.95
Tax duplicate	\$ 2,679,130,229	\$ 44,982,597	\$ 42,437,423	\$ 2,545,174
Add: interim taxes prorated	<u>617,367</u>	<u>10,335</u>	<u>9,750</u>	<u>585</u>
Net tax duplicate	<u>\$ 2,679,747,596</u>	<u>44,992,932</u>	<u>42,447,173</u>	<u>2,545,758</u>
Deduct: taxes collected face		42,094,353	39,712,600	2,381,753
Discounts allowed		<u>750,283</u>	<u>707,831</u>	<u>42,452</u>
Total deductions		<u>42,844,636</u>	<u>40,420,431</u>	<u>2,424,205</u>
Taxes receivable for year ended December 31, 2012		<u>\$ 2,148,296</u>	<u>\$ 2,026,742</u>	<u>\$ 121,553</u>
Penalty assessed at 10%		<u>\$ 214,830</u>	<u>\$ 202,674</u>	<u>\$ 12,156</u>

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF REAL ESTATE TAXES - PRIOR YEARS

YEAR ENDED DECEMBER 31, 2012

	<u>TOTAL</u>	<u>GENERAL FUND</u>	<u>SINKING FUND</u>
Prior year 2011 duplicate taxes	\$ 1,973,731	\$ 1,856,100	\$ 117,631
Add: Penalties liened and collected to February 28, 2011 (net)	197,373	185,610	11,763
Deduct: Collections including penalties	<u>(374,103)</u>	<u>(351,807)</u>	<u>(22,296)</u>
Taxes returned to County Treasurer (\$1,633,637 plus 10% penalty of \$163,364)	<u>1,797,001</u>	<u>1,689,903</u>	<u>107,098</u>
Prior years returned and liened balance January 1, 2011	1,371,370	1,282,688	88,682
Add: 2011 taxes returned to County Treasurer	<u>1,797,001</u>	<u>1,689,903</u>	<u>107,099</u>
Sub-total	3,168,371	2,972,591	195,781
Deduct: Collections	<u>(1,587,615)</u>	<u>(1,498,214)</u>	<u>(89,401)</u>
<b>Prior years taxes receivable - December 31, 2012</b>	<u><u>\$ 1,580,756</u></u>	<u><u>\$ 1,474,377</u></u>	<u><u>\$ 106,379</u></u>

THE TOWNSHIP OF UPPER DARBY

TEN YEAR SUMMARY OF REAL ESTATE TAXES

YEARS 2002 TO 2011 INCLUSIVE

YEAR	TAX RATE IN MILLS	NET ASSESSED VALUATION	TAX LEVY	COLLECTIONS	RETURNED TO COUNTY TREASURER	PERCENTAGE OF CURRENT COLLECTIONS TO TAX LEVY
2002	9.18	\$ 2,708,116,593	\$ 22,341,962	\$ 21,446,872	\$ 895,090	95.993
2003	9.18	\$ 2,699,608,344	\$ 24,782,404	\$ 23,898,003	\$ 884,401	96.431
2004	10.15	\$ 2,708,069,356	\$ 27,486,905	\$ 26,611,347	\$ 875,558	96.815
2005	11.12	\$ 2,712,125,338	\$ 30,146,380	\$ 29,073,639	\$ 1,072,741	96.442
2006	12.09	\$ 2,702,952,726	\$ 32,648,592	\$ 31,386,731	\$ 1,261,861	96.135
2007	13.04	\$ 2,708,120,361	\$ 35,313,889	\$ 33,839,883	\$ 1,474,006	95.826
2008	13.69	\$ 2,706,527,963	\$ 37,052,368	\$ 35,566,899	\$ 1,485,469	95.991
2009	14.34	\$ 2,704,398,527	\$ 38,773,819	\$ 37,192,298	\$ 1,581,521	95.921
2010	14.99	\$ 2,690,210,980	\$ 40,356,445	\$ 38,817,815	\$ 1,538,630	96.187
2011	15.94	\$ 2,686,345,670	\$ 42,814,279	\$ 41,178,742	\$ 1,635,537	96.180



**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 4. LONG-TERM DEBT**

Upper Darby Township currently has five bond issues outstanding, maturing between 2017 and 2020, for a total remaining indebtedness of \$19,422,000. Each bond issue is maintained and repaid as a separate entity. During 2012, the Township refunded the 2002 bonds in the amount of \$2,860,000 as part of a 2012 issuance in the amount of \$3,035,000. Further the Township repaid an additional \$1,571,721 in principal of its total debt and \$829,412 of the accreted interest and expects to pay \$2,708,000 in principal in 2013.

The 1992 Series A Bonds were issued for the purpose of purchasing the current treatment capacity from Philadelphia's Southwest Water Pollution Control plant thus reducing the annual payment to Philadelphia. A separate Sinking Fund has been established for the repayment of this indebtedness to be funded by the Sewer Rental Fund assessments. These bonds were refunded with the 2002 bonds. The balance remaining in that issuance was satisfied this period through the Sewer Sinking Fund accordingly with a requisite transfer to the Sewer Sinking Fund from the Sewer Rental Fund.

Funds to repay bonded indebtedness (aside from that relative to the Sewer Sinking Fund retired this period) are derived through property taxes at the rate of .95 mills and are accounted for through the Sinking Fund. Additional support is provided as needed through General Fund transfers.

In 2007 the Township incurred a general obligation note, Series of 2006, in the amount of \$7,500,000 in conjunction with the Delaware Valley Regional Finance Authority (DVRFA). The DVRFA purchased the note with proceeds of its DVRFA Bonds for which the Township shall remit to DVRFA principal and interest payments at a variable rate (3.490 to 3.598%) of interest through 2018. The Township as part of its agreement with DVRFA incurred additional debt through general obligation notes, series of 2008, in the amount of \$3,495,000 with a maturity date of May 2018, with an interest rate of 2.45%. Further, as part of its agreement the Township in 2011 incurred additional debt (Series of 2009) through the third general obligation note in the principal amount of \$3,485,000 with a maturity date of December, 2020, carrying an interest rate of 2.29%.

In 2010, the Township refunded its Series 2003 bonds in the amount of \$5,235,000. The 2010 Series Bonds carry interest rates of .52 to 2.50%. The Series 2010 bonds were issued to reduce the total debt service over the next eight years by approximately \$171,340.

As previously noted, in 2012 the Township refunded the existing balance of its 2002 bonds in the amount of \$2,860,000. The bond issuance, in the amount of \$3,035,000 carries interest rates of .3 to 1.5%. The Series 2012 bonds were issued to reduce total debt service over the next six years by approximately \$226,169, and to obtain an economic gain (the difference between the present value of the debt service payment on the old and new debt) of \$226,946.

Following is an inclusive schedule of long term liabilities for the year ended December 31, 2012, statement of bonded indebtedness for the year ended December 31, 2012, and a schedule of bond maturities for the years 2017 to 2020.

THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012

NOTE 4. LONG-TERM DEBT (continued)

	Principal Outstanding 12/31/2012
General obligation note series of 2006	\$ 5,988,000
General obligation note series of 2008	3,024,000
General obligation bond series of 2009	3,480,000
General obligation note series of 2010	4,100,000
General obligation note series of 2012	<u>2,830,000</u>
	19,422,000
Other post-employment benefits (exclusive of compensated balances)	80,812,001
Compensated absences	<u>6,387,785</u>
Total long term debt	<u><u>\$ 106,621,786</u></u>

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF BONDED INDEBTEDNESS

YEAR ENDED DECEMBER 31, 2012

BOND/NOTE NUMBER	DATE OF ISSUE	FINAL MATURITY	INTEREST RATE	ORIGINAL AMOUNT ISSUED	OUTSTANDING JANUARY 1, 2012	INCREASE DURING YEAR	(PAID) DURING YEAR	OUTSTANDING DECEMBER 31, 2012
<i>Bonded Debt Created by Council</i>								
02	4/15/2002	7/15/2018	2.0-5.0%	\$ 5,280,000	\$ 2,860,000	\$ -	\$ (2,860,000)	\$ -
92C	11/1/1992	7/15/2012	3.0-6.8%	6,164,898	305,588	-	(305,588)	-
06	5/25/2006	5/25/2017	3.490-3.598%	7,500,000	6,288,000	-	(300,000)	5,988,000
08	12/21/2008	5/25/2018	2.45%	3,495,000	3,151,000	-	(127,000)	3,024,000
09	10/25/2011	12/25/2020	2.29%	3,485,000	3,485,000	-	(5,000)	3,480,000
10	11/8/2010	10/1/2018	.52-2.50	5,235,000	4,750,000	-	(650,000)	4,100,000
12	5/15/2012	7/15/2018	.30-1.50%	3,035,000	-	3,035,000	(205,000)	2,830,000
Total by Council				\$ 34,194,898	20,839,588	3,035,000	(4,452,588)	19,422,000
Accreted Interest					829,412	-	(829,412)	829,412
<b>TOTAL INDEBTEDNESS</b>					<b>\$ 21,669,000</b>	<b>\$ 3,035,000</b>	<b>\$ (5,282,000)</b>	<b>\$ 20,251,412</b>

**THE TOWNSHIP OF UPPER DARBY  
SCHEDULE OF BOND AND LONG TERM NOTE MATURITIES  
FOR THE YEARS 2013 TO 2020**

SER #	2013		2014		2015	
	AMOUNT	INTEREST	AMOUNT	INTEREST	AMOUNT	INTEREST
06	\$ 1,106,000	\$ 127,300	\$ 1,150,000	\$ 153,768	\$ 1,196,000	\$ 40,261
08	487,000	74,088	489,000	62,157	494,000	50,176
09	5,000	79,590	5,000	79,476	5,000	79,361
10	645,000	87,362	665,000	74,462	675,000	61,162
12	465,000	31,463	465,000	27,976	465,000	23,324
	<u>\$ 2,708,000</u>	<u>\$ 399,803</u>	<u>\$ 2,774,000</u>	<u>\$ 397,839</u>	<u>\$ 2,835,000</u>	<u>\$ 254,284</u>

SER #	2016		2017		2018	
	AMOUNT	INTEREST	AMOUNT	INTEREST	AMOUNT	INTEREST
06	\$ 1,244,000	\$ 27,344	\$ 1,292,000	\$ 13,924	\$ 567,000	\$ 13,892
08	493,000	38,073	494,000	25,995	5,000	79,018
09	5,000	79,247	5,000	79,133	720,000	18,000
10	690,000	47,662	705,000	33,862	485,000	7,275
12	475,000	18,676	475,000	13,212		
	<u>\$ 2,907,000</u>	<u>\$ 211,002</u>	<u>\$ 2,971,000</u>	<u>\$ 166,126</u>	<u>\$ 1,777,000</u>	<u>\$ 118,185</u>

SER #	2019		2020	
	AMOUNT	INTEREST	AMOUNT	INTEREST
09	\$ 1,691,000	\$ 56,391	\$ 1,759,000	\$ 16,776

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 5. GENERAL OBLIGATION BOND FUND/CAPITAL PROJECT FUNDS**

Long-term debt funds had been designated for use in funding capital acquisition. Funds from the bond issuances, related interest and other operating transfers designated for capital projects are still available in the amount of \$5,726,283.

**NOTE 6. ACCOUNTS RECEIVABLE - ASH AND RUBBISH**

Ash and rubbish fees receivable for the years 1971 to 2012 inclusive have been shown in the General Fund at 40 percent net value. The Township considers 60 percent of the receivables to be uncollectible and the account has been credited as such. The Township has been taking aggressive action, including legal remedies, in collection of these outstanding receivables. Deferred revenue in the governmental fund statements includes that amount of the ash and rubbish net receivable that is not expected to be collected during the subsequent period pursuant with the modified accrual basis of accounting for these funds. As noted above, the government-wide financial statements do not include such a deferral as consistent with the accrual basis of accounting utilized in those statements.

**NOTE 7. ACCOUNTS RECEIVABLE - SEWER RENTAL**

Receivables from sewer rental fees include \$1,391,942 outstanding from 2012 and \$2,518,330 outstanding from 2011 and prior years for a total of \$3,910,272.

An allowance for uncollectible accounts has been established at 30 percent of the balance of fees owed as of December 31, 2012, in the amount of \$1,188,025. The sewer rental fees are recorded as revenue when collected. The receivable on the balance sheet represents the amount assessed and not available or collected as of the balance sheet date. Within the governmental fund financial statements and as with property taxes, sewer rental fees are recognized when they become both measurable and available. A reserve has been established, shown on the governmental fund financial statements as deferred revenue, for that portion of the outstanding sewer rental fees that are not anticipated to be measurable and available during the current period pursuant with the modified accrual basis of accounting. The government-wide financial statements do not include such a deferral as consistent with the accrual basis of accounting utilized in those statements.

In addition, at balance sheet date, Upper Darby Township had receivables in the amount of \$323,264 due from other municipalities for sewer rental charges up to December 31, 2012.

**NOTE 8. SPECIAL SEWER RENTAL**

The Special Sewer Rental Fund acts as a reserve for future sewer maintenance, construction and special needs. The Township administrators periodically transfer money from the Sewer Rental Fund and/or General Fund to provide for these needs and/or contingencies.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 9. FIXED ASSETS**

Capital asset activity for the year ended December 31, 2012 was as follows:

	Balance 01/01/12	Additions	Deletions	Balance 12/31/12
<u>Governmental Activities</u>				
Capital assets not being depreciated:				
Construction-in-progress	\$ 3,352,351	\$ -	\$(3,352,351)	\$ -
Land	4,637,840	-	-	4,637,840
Total capital assets not being depreciated	<u>7,990,191</u>	<u>-</u>	<u>(3,352,351)</u>	<u>4,637,840</u>
Capital assets being depreciated:				
Land improvements	-	14,950	-	14,950
Building and building improvements	15,872,509	5,710	-	15,878,219
Infrastructure	19,641,685	3,401,011	-	23,042,696
Machinery and equipment	4,410,890	157,952	(10,500)	4,558,342
Vehicles	12,804,736	234,515	-	13,039,251
Total capital assets being depreciated	<u>52,729,820</u>	<u>3,814,138</u>	<u>(10,500)</u>	<u>56,533,458</u>
Total capital assets	<u>60,720,011</u>	<u>3,814,138</u>	<u>(3,362,851)</u>	<u>61,171,298</u>
Accumulated depreciation				
Land improvements	-	748	-	748
Building and building improvements	13,665,179	82,951	-	13,748,130
Infrastructure	10,445,757	481,173	-	10,926,930
Machinery and equipment	1,969,080	168,765	(525)	2,137,320
Vehicles	8,337,385	681,507	-	9,018,892
Total accumulated depreciation	<u>34,417,401</u>	<u>1,415,144</u>	<u>(525)</u>	<u>35,832,020</u>
Capital assets, net of depreciation	<u>\$ 26,302,610</u>	<u>\$ 2,398,994</u>	<u>\$(3,362,326)</u>	<u>\$25,339,278</u>

Depreciation expense was charged to governmental activities as follows:

Council	\$ 6,637
Administration	70,667
Police	214,083
Fire	290,664
L&I	10,711
Health	4,811
Sanitation	64,423
Sewer	80,380
Public works	394,070
Electric	84,634
Parking meter	4,681
Leisure services	75,523
Parks	43,218
COSA	3,449
General depreciation	67,193
	<u>\$ 1,415,144</u>

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 9. FIXED ASSETS (continued)**

Construction in progress, when shown in the governmental funds, represents costs accumulated for projects not completed at year end. There was no reported construction in progress at the end of this period. Consequently, there were no construction contract commitments outstanding for construction in progress at year end.

**NOTE 10. INTERFUND RECEIVABLES AND PAYABLES/INTERFUND TRANSFERS**

Interfund receivables and payables arise from interfund transactions. Principally, these amounts result from operating subsidies or loan. Interfund receivables and payables are eliminated within the government-wide financial statements but are shown on the governmental fund statements. At the balance sheet date, the amount of interfund receivables is equal to the amount of interfund payables as follows:

	<u>AMOUNT DUE FROM OTHER FUNDS</u>	<u>AMOUNT DUE TO OTHER FUNDS</u>
General fund	\$ 517,102	\$ 8,600
Sewer rental fund	-	202,306
Highway Aid fund	-	100,000
Sinking fund	96,669	-
Weed and Seed	-	203,176
Community Development funds	50	11,621
Sewer rental sinking fund	-	88,118
	<u>\$ 613,821</u>	<u>\$ 613,821</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and payments between the funds are made.

Interfund transfers for the year ended December 31, 2012 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Sewer rental fund	\$ -	\$ 343,132
Sewer rental capital fund	67,685	-
Debt service fund	207,762	-
Sewer rental sinking fund	67,685	-
	<u>\$ 343,132</u>	<u>\$ 343,132</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts as debt service from the funds collecting the receipts as debt service payments become due, and (3) use unrestricted revenues collected to finance various programs accounted for in other funds pursuant to authorizations.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 11. FEDERAL GRANTS/SINGLE AUDIT ACT**

Upper Darby Township participated in several federally assisted programs:

<b>PROGRAM</b>
<b>U.S. Dept. of Housing Urban Development</b> Community Development Block Grant Emergency Homeless Prevention and Rapid Rehousing - ARRA Funded <i>Passed through Commonwealth of Pennsylvania</i> HOME
<b>U.S. Dept. of Health &amp; Human Services</b> <i>Passed through Delaware County Services for the Aging</i> Special Programs for Aging Title III F Services for the Aging and Senior Centers Special Programs for Aging Title III - Part C Nutrition
<b>Department of Justice</b> Center for Family Safety - Justice Assistance Grant <i>Pass through County of Delaware</i> Bullet Proof Vests Drug Forfeiture Justice Assistance Grant - ARRA Funded Justice Assistance Grant
<b>Department of Energy</b> Energy Efficiency Conservation Block Grant - ARRA Funded
<b>Department of Transportation</b> <i>Pass through Pennsylvania</i> Safe Routes to School Program
<b>U.S. Department of Agriculture</b> <i>Passed through Senior Service Management Group</i>

The programs were audited as part of the General Township audit. The reports in compliance with the Single Audit Act are filed under separate cover and are not made part of these financial statements.

The Community Development Block Grant was audited separately for the period January 1, 2012 through December 31, 2012. A financial report on the program is presented in this report as supplemental information. HUD revenue and expenditures are treated for the purpose of the financial statements on a departmental basis. The HUD revenue reflects that amount received as part of the HUD entitlement for 2012 including the December 2012 drawdown shown as part of the General Fund accounts receivable. Township labor, other than those directly related to specific HUD employees, is reimbursed by HUD as part of the entitlement revenue. This amount charged and received as part of the HUD entitlement is actually a reduction in expenses of other departments within the funds from which labor expenses were originally charged. This presentation was selected to better reflect actual HUD related expenditures and to properly reduce other expenditures accordingly. The HUD report itself shows specific program costs and revenue to balance sheet date.



**THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012**

**NOTE 12. COLLENBROOK**

The Township acquired in 1989 the Collenbrook Farm property under the Will of Eleanor Houston Smith. The Township paid \$200,000 for the property consisting of Legislative Initiative Grant of \$30,000, an Economic Development Appropriation from the Commonwealth for \$80,000, and \$90,000 plus settlement costs from HUD (which were shown as part of the HUD program expenditures). The property was valued by the family at \$400,000, with the Township purchasing one half and the family donating the balances.

**NOTE 13. LEASES**

The Township is obligated under a lease accounted for as an operating lease with the Philadelphia Electric Company for an access road used in conjunction with its Highway Yard. An operating lease does not give rise to property rights or lease obligations, and therefore the result of this agreement is not reflected in the Township's capital assets. This lease is payable \$4,300 annually on the first day of February. This lease is cancelable by either party upon thirty days notice.

A property at 319 Watkins Avenue is leased for a period of five years through 2014, with an option to renew at an annual rental of \$27,600. The Township further leases a property from the Upper Darby Fire Company No.3 for the use of the Police Athletic League boxing program for \$900 per month currently. Additionally, beginning in February 2013, the Township began leasing a property for use by its Leisure Services Department. The lease is a twenty year lease beginning at \$29,352 for the first five years (through 2017) with escalation amounts beginning thereafter.

Future rental payments for the next five years are as follows:

2013	\$	62,406
2014		64,852
2015		33,652
2016		33,652
2017		33,652
	\$	<u>228,214</u>

In addition, the Township holds leases an historical property for which no rent is received. Under this lease which has been extended through 2013, the lessee is to maintain the properties in habitable condition and is responsible for costs. In addition, the lessee is required to permit access to the properties for nature study, environmental analysis and historical considerations. The Township further leases out the Collenbrook property referred to above for \$750 per month. The Township leases an additional property to the Marine Corp League for \$1 per year.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 14. INVESTMENT IN WASTEWATER TREATMENT PLANT**

The Township further has a long-term wastewater treatment contract with the Philadelphia Water Department for which it charges other neighboring municipalities with their pro-rata share accordingly. The Township and the neighboring communities are responsible for their proportional share of the cost of all capital costs incurred. The Township's proportional share of the net book value of the capital assets is shown on the government-wide statement.

**NOTE 15. WORKMEN'S COMPENSATION**

Upper Darby Township maintains self-insurance for Workmen's Compensation. The Township has filed a \$2,000,000 surety bond with the Commonwealth of Pennsylvania. Claims are reviewed and paid through an independent agency, which the Township reimburses monthly. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount can be reasonably estimated. The self-insured plan provides excess coverage or reimbursement to protect the Township from large losses. Management monitors the variances. In a fiduciary fund, the Township maintains cash and certificates of deposit for such purposes.

**NOTE 16. LIBRARY TRUST FUND**

The Library Trust Fund acts as a conduit between the Sarah P. Sellers Trust and the Sellers Library. Four (4) times per year the Trust Fund receives monies from the Sellers Estate (administered by Provident Bank) that are immediately disbursed to the Sellers Library. The Trust is for the benefit of a free, non-sectarian library to be maintained by Upper Darby Township.

**NOTE 17. RETIREMENT COMMITMENTS**

The Township sponsors the Police Pension Plan, the Municipal Employees Pension Plan, and the Fire Fighters Pension Plan. Each is a single employer defined benefit plan. Eligibility for coverage is as follows: In the Firefighters Plan, each employee who is a member of Local 2493 of the International Association of Firefighters and who agrees to contribute 6 percent of his effective compensation becomes a participant on the commencement date of his employment; the Police Pension Plan covers all members of the police force of the Township; and the Municipal Employees Pension Plan is open to all full time municipal employees of the Township.

Basic provisions of the Plans are as follows:

**Police:**

A member hired prior to January 1, 2001 may retire upon attaining a combination of age and service equal to 77, provided that the member is at least 50 years old with 20 years of service.

Members hired on or after January 1, 2001 may retire upon reaching the age of 50 and completion of 25 years of service. The pension shall be equal to 62 percent of the average total compensation during the highest 24 consecutive months during the final 60 months of service. Pension provisions include death and disability provisions.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 17. RETIREMENT COMMITMENTS (continued)**

**Fire:**

Normal retirement date is the first day of the month coincident with or next following the date the participant attains age 53 with ten years of service. The monthly pension should equal 1/12th of 2.5 percent of average annual compensation multiplied by total years of service. The plan provides for death and disability provisions.

**Municipal:**

Normal retirement for this plan is the later of the participant's 60th birthday and completion of 5 years of service. Members who are also Township officials are eligible to commence receiving their retirement benefits at age 70 ½ years even if they have not retired. The annual pension upon normal retirement is 2.5 percent of the average of the member's compensation over the two years of service producing the largest average, multiplied by the number of years of service up to termination of employment. Pension is payable for the member's lifetime only. Pension benefits are available upon termination of employment as a result of total and presumably permanent disability.

The Township received on behalf of the plans \$2,059,838 in Commonwealth funds pursuant to Act 205 of 1984, the Municipal Pension Plan Funding Standard and Recovery Act, which were distributed as follows:

	State Aid	Minimum Municipal Obligation	Township Contribution
<b>Police</b>	\$958,396	\$4,414,043	\$3,455,646
<b>Fire</b>	386,220	817,982	\$431,762
<b>Municipal</b>	715,222	728,889	\$13,667
	<u>\$2,059,838</u>	<u>\$5,960,914</u>	<u>\$3,901,075</u>

Active plan membership, as of the latest actuarial valuation reports for each respective plan is as follows:

Police:	128
Fire	51
Municipal	207

Active membership of each of the plans contributed as follows for 2012:

	<u>Contribution</u>
Police	\$676,267
Municipal	\$615,314
Fire	\$274,535

Contributions for the police are based on 6.5 percent of salary if hired before January 1, 2001, 5 percent if hired subsequent to that date; fire fighters and municipal employees at 6 percent respectively. Contributions for Fire and Municipal employees are 6% of compensation. Total payroll, including overtime, for all Township employees amounted to \$ 29,724,289.

**THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012**

**NOTE 17. RETIREMENT COMMITMENTS (continued)**

Projected funding requirements for 2013 based on actuarial computations of minimum municipal obligations are as follows:

Police	\$ 4,949,013
Fire	1,025,025
Municipal	<u>869,754</u>
	<u>\$ 6,843,792</u>

A significant portion of this amount is expected to be received from the General Municipal Pension System pursuant to Act 205.

The plans are each administered independently of the Township with their own Boards of Director and Administrators and are reported on separately. Such reports are available from the Board of each of the respective plans. Each of the plans maintains its books and records on the accrual basis of accounting. The plans all present their respective investments at market value.

Significant actuarial assumptions used to measure the pension benefit obligations pursuant to the actuarial reports were as follows:

	<b>Police</b>	<b>Fire</b>	<b>Municipal</b>
Investment rate	8.00%	7.25%	8.00%
Projected salary increase	5.00%	4.75%	5.00%
Actuarial cost method	Entry age normal for all three plans		
Amortization	Level dollar	Level dollar	Level dollar

Methods used to determine the value of assets were as follows:

Police - Assets are valued at adjusted market value which consists of market value of the assets, plus 20 percent of the excess of the market value over the expected market value and not less than 70 percent nor more than 130 percent of the market value.

Fire – Assets are valued using a five year smoothing of assets with an adjustment of not greater 120 percent of the market value.

Municipal - Assets are valued at 80 percent of the expected value of the assets plus 20 percent of market value, but not less than 80 percent nor more than 120 percent of market value.

Historical trend information is available in the financial statements of the individual plans and is presented in these financial statements as required supplementary information

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012**

**NOTE 18. OTHER POST EMPLOYMENT BENEFITS**

The Township pays certain post employment benefits for both uniform and non-uniform municipal employees. This is a single-employer plan administered by the Township. Certain categories of members do contribute to the Plan. Uniform employees, both police and fire, receive both medical and vision benefits for the employee and spouse. Should these employees be on permanent disability, the Township will continue to pay both medical and dental coverage. Non-uniform employees who retire at 60 years of age will receive a portion of their respective medical coverage costs based on their respective years of service. The Plan is unfunded and no financial report is prepared. The Plan is authorized and under the control, maintenance and operation of Township Council. The required contribution of the Township is based on a pay-as-you-go financing requirement. The Township Council has the authority within contractual limitations to amend the plan including changing the obligation of plan members and the Township to contribute to the Plan.

The Township's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of Government Accounting Standards Board (GASB) Statement 45. GASB No. 45 establishes standards of financial accounting and reporting for governmental employers providing postretirement benefits to their employees. Benefits defined as OPEB include medical, prescription drug, dental, vision, sick leave and life insurance (as applicable). Long-term compensated absences for sick leave had previously been accrued on the Township's financial statements and the expense previously recorded. Consequently, the expense for this period is presented net of that previously recorded in the Statement of Activities. The ARC is equal to the normal cost and the amortization of the Unfunded Actuarial Accrued Liability plus interest. The following show the components of the annual OPEB cost for the year, the amount actually contributed to the Plan, and the changes in the Township's OPEB obligation:

Annual required contribution	\$ 22,118,817
Interest on net OPEB obligation	2,737,667
Adjustment to annual required contribution	<u>(4,069,254)</u>
Annual OPEB cost (expense)	20,787,230
Contributions made (pay as you go)	<u>(3,042,120)</u>
Increase in net OPEB obligation	17,745,110
Actuarial adjustment	<u>(200,583)</u>
Net OPEB obligation at January 1, 2011	<u>68,642,273</u>
Net OPEB obligation at December 31, 2012	<u>\$ 86,186,800</u>

<u>Fiscal year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2008	\$20,399,937	11.60%	\$ 19,978,574
December 31, 2009	\$21,016,627	24.00%	\$ 34,344,989
December 31, 2010	\$19,852,104	15.50%	\$ 51,119,293
December 31, 2011	\$20,707,976	15.38%	\$ 68,642,273
December 31, 2012	\$20,787,230	14.63%	\$ 86,186,800

**THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2012**

**NOTE 18. OTHER POST EMPLOYMENT BENEFITS (continued)**

The following is based upon the initial biennial plan actuarial valuation and is unaudited:

Actuarial accrued liability (AAL)	\$193,671,876
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$193,671,876</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 29,724,289
UAAL as a percentage of covered payroll.	651.56%

**NOTE 19. COSA**

The COSA program of Upper Darby Township was included in the audit of the Township of Upper Darby as a single entity. Revenue and expenditures for the COSA program for the calendar year are presented with the financial statements of the General Fund. As mentioned in Note 11 of these financial statements, the COSA program consisted of federal financial assistance passed through from the County of Delaware and was a part of the Township Single Audit. An audited schedule of the COSA program for the fiscal year ended June 30, 2012 is included herein as supplemental information.

**NOTE 20. LITIGATION**

There are various claims or lawsuits currently pending against or on behalf of the Township. Counsel has not indicated that the eventual outcome or effect of those claims would have a material effect, if any, on the Township's financial statements.

**NOTE 21. TAX ANTICIPATION NOTE**

The Township has taken a Tax Anticipation Note for 2013 in the amount of \$4,400,000, at an interest rate of 2.48% per annum to be repaid before December 31, 2013.

**NOTE 22. SUBSEQUENT EVENTS**

Management of the Township has evaluated subsequent events through June 9, 2013, the date on which the financial statements were available to be issued.

**REQUIRED SUPPLEMENTAL INFORMATION**

**REQUIRED SUPPLEMENTAL INFORMATION  
THE TOWNSHIP OF UPPER DARBY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - GENERAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

	General Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Real estate taxes	\$ 42,072,760	\$ 42,072,760	\$ 41,748,665	\$ (324,095)
Local enabling act taxes	3,000,000	3,000,000	2,555,041	(444,959)
Licenses and permits	2,579,000	2,579,000	2,653,652	74,652
Fines and forfeits	840,000	840,000	768,907	(71,093)
Rent	210,000	210,000	210,020	20
Investment earnings	50,000	50,000	13,022	(36,978)
Public utility realty tax	30,000	30,000	61,370	31,370
Grants and entitlements	3,427,000	3,427,000	2,486,643	(940,357)
Delaware County Office of Services for the Aging (COSA)	303,437	303,437	301,307	(2,130)
Departmental earnings	5,685,300	5,685,300	5,618,729	(66,571)
Pennsylvania contribution for pension and volunteer fireman	2,382,678	2,382,678	2,377,139	(5,539)
Miscellaneous/refunds and reimbursements	538,250	538,250	444,455	(93,795)
Sale of fixed assets	25,000	25,000	-	(25,000)
Sewer fund reimbursement	550,000	550,000	889,472	339,472
Total revenues	<u>61,693,425</u>	<u>61,693,425</u>	<u>60,128,422</u>	<u>(1,565,003)</u>
<b>EXPENDITURES</b>				
General governmental	13,520,058	13,520,059	12,165,593	1,354,466
Public Safety	34,463,677	34,463,677	33,743,764	719,913
Health and sanitation	4,212,636	4,154,236	3,904,031	250,205
Community development	2,600,000	3,213,693	2,191,455	1,022,238
Electric, parking and public works	3,522,861	3,581,261	3,475,993	105,268
Leisure services, COSA and parks	3,183,812	3,183,812	2,759,199	424,613
Volunteer fire allocation	500,000	500,000	289,348	210,652
Library contribution	1,163,742	1,163,742	1,163,742	-
Total expenditures	<u>63,166,786</u>	<u>63,780,480</u>	<u>59,693,125</u>	<u>4,087,355</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>(1,473,361)</u>	<u>(2,087,055)</u>	<u>435,297</u>	<u>2,522,352</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses) of funds, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>				
	<u>\$ (1,473,361)</u>	<u>\$ (2,087,055)</u>	<u>435,297</u>	<u>\$ 2,522,352</u>
<b>FUND BALANCE - BEGINNING</b>			<u>3,682,952</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 4,118,249</u>	



**REQUIRED SUPPLEMENTAL INFORMATION  
THE TOWNSHIP OF UPPER DARBY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - SEWER RENTAL FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

	Sewer Rental Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Sewer rentals, penalties and interest	\$ 6,900,000	\$ 6,900,000	\$ 7,375,377	\$ 475,377
Investment earnings	10,000	10,000	22	(9,978)
Grants and entitlements	50,000	50,000	-	(50,000)
Joint projects other municipalities	1,673,573	1,673,573	1,657,199	(16,374)
Total revenues	<u>8,633,573</u>	<u>8,633,573</u>	<u>9,032,598</u>	<u>399,025</u>
<b>EXPENDITURES</b>				
Sewer	<u>8,470,630</u>	<u>8,470,630</u>	<u>8,044,579</u>	<u>426,051</u>
Total expenditures	<u>8,470,630</u>	<u>8,470,630</u>	<u>8,044,579</u>	<u>426,051</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>162,943</u>	<u>162,943</u>	<u>988,019</u>	<u>825,076</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>				
Operating transfers in	-	-	-	-
Operating transfers out	(490,370)	(490,370)	(343,132)	147,238
Total other financing sources (uses) of funds, net	<u>(490,370)</u>	<u>(490,370)</u>	<u>(343,132)</u>	<u>147,238</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	<u>\$ (327,427)</u>	<u>\$ (327,427)</u>	<u>644,887</u>	<u>\$ 972,314</u>
<b>FUND BALANCE - BEGINNING</b>			<u>(197,488)</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 447,399</u>	

**REQUIRED SUPPLEMENTAL INFORMATION  
THE TOWNSHIP OF UPPER DARBY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - HIGHWAY AID FUND**

**FOR THE YEAR ENDED DECEMBER 31, 2012**

	Highway Aid Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Investment earnings	\$ 5,000	\$ 5,000	\$ 521	\$ (4,479)
Other income	-	-	-	-
Grants and entitlements	1,435,260	1,435,260	1,353,512	(81,748)
Total revenues	<u>1,440,260</u>	<u>1,440,260</u>	<u>1,354,033</u>	<u>(86,227)</u>
<b>EXPENDITURES</b>				
Highways and streets	1,464,115	1,464,115	1,355,054	109,061
Total expenditures	<u>1,464,115</u>	<u>1,464,115</u>	<u>1,355,054</u>	<u>109,061</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(23,855)</u>	<u>(23,855)</u>	<u>(1,021)</u>	<u>22,834</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>				
Operating transfers in - repayment from general fund	-	-	-	-
Operating transfers out	-	-	-	-
Total other financing sources (uses) of funds, net	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	<u>\$ (23,855)</u>	<u>\$ (23,855)</u>	<u>(1,021)</u>	<u>\$ 22,834</u>
<b>FUND BALANCE - BEGINNING</b>			41,216	
<b>FUND BALANCE - ENDING</b>			<u>\$ 40,195</u>	

REQUIRED SUPPLEMENTAL INFORMATION  
THE TOWNSHIP OF UPPER DARBY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
BUDGET AND ACTUAL - DEBT SERVICE FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

	Debt Service Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Real estate taxes	\$ 2,541,250	\$ 2,541,250	\$ 2,522,483	\$ (18,767)
Other revenue	-	-	4,689	4,689
Investment earnings	-	-	-	-
Total revenues	<u>2,541,250</u>	<u>2,541,250</u>	<u>2,527,172</u>	<u>(14,078)</u>
<b>EXPENDITURES</b>				
Principal	2,243,000	2,243,000	2,422,000	(179,000)
Interest	525,040	525,040	430,672	94,368
Total expenditures	<u>2,768,040</u>	<u>2,768,040</u>	<u>2,852,672</u>	<u>(84,632)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(226,790)</u>	<u>(226,790)</u>	<u>(325,500)</u>	<u>(98,710)</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>				
Operating transfers in	-	-	207,762	207,762
Operating transfers out	-	-	-	-
Total other financing sources (uses) of funds, net	<u>-</u>	<u>-</u>	<u>207,762</u>	<u>207,762</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	<u>\$ (226,790)</u>	<u>\$ (226,790)</u>	<u>(117,738)</u>	<u>\$ 109,052</u>
<b>FUND BALANCE - BEGINNING</b>			821,210	
<b>FUND BALANCE - ENDING</b>			<u>\$ 703,472</u>	

**REQUIRED SUPPLEMENTAL INFORMATION**

**THE TOWNSHIP OF UPPER DARBY  
PENSION PLAN TREND  
DECEMBER 31, 2012**

This historical information provides a basis for determining the progress made in the individual plans in accumulating sufficient assets to pay pension benefits as they become due. This information has been provided by the actuaries and is unaudited but presented herein as required supplementary information.

Police:	January 1,	<u>2012</u>	<u>2011</u>	<u>2010</u>
	Actuarial Value of Assets	\$48,699,330	\$44,364,642	\$ 40,863,452
	Actuarial Accrued Liability	\$70,567,340	\$66,616,427	\$ 68,680,010
	Unfunded Actuarial Liability (UAAL)	\$21,868,010	\$22,251,785	\$ 27,816,558
	Funded Ratio	69.01%	66.60%	59.50%
	Covered Payroll	\$11,783,712	\$11,847,920	\$ 11,852,118
	UAAL as % of Payroll	185.58%	187.81%	234.70%
	Employer Contributions (Including State Aid)	\$ 4,731,465	\$ 3,746,842	\$ 3,720,809
Municipal:	January 1,	<u>2011</u>	<u>2010</u>	<u>2009</u>
	Actuarial Value of Assets	\$57,930,826	\$53,005,745	\$ 50,047,569
	Actuarial Accrued Liability	\$57,193,467	\$46,308,547	\$ 43,477,165
	Unfunded Actuarial Liability	\$ (737,359)	\$ (6,697,198)	\$ (6,570,404)
	Funded Ratio	101.29%	114.46%	115.11%
	Covered Payroll	\$10,654,302	\$ 8,879,535	\$ 8,310,212
	UAAL as % of Payroll	-6.92%	-75.42%	-100.79%
	Employer Contributions (including state aid)	\$ 374,296	\$ 327,956	\$ 273,359

**REQUIRED SUPPLEMENTAL INFORMATION**

**THE TOWNSHIP OF UPPER DARBY  
PENSION PLAN TREND  
DECEMBER 31, 2012**

Fire:	January 1,	<u>2011</u>	<u>2009</u>	<u>2007</u>	<u>2005</u>
	Actuarial Value of Assets	\$15,755,476	\$12,351,217	\$11,904,689	\$10,014,589
	Actuarial Accrued Liability	\$20,528,281	\$17,418,869	\$14,870,550	\$12,579,338
	Unfunded Actuarial Liability	\$ 4,772,805	\$ 5,067,652	\$ 2,965,861	\$ 2,564,749
	Funded Ratio	76.75%	70.91%	80.06%	79.60%
	Covered Payroll	\$ 4,458,017	\$ 4,082,200	\$ 4,516,283	\$ 3,111,766
	UAAL as % of Payroll	107.06%	124.14%	65.67%	82.40%
	Employer Contributions (Including State Aid)	\$ 779,085	\$ 712,761	\$ 636,388	\$ 498,664

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

**SCHEDULE OF EMPLOYER AND COMMONWEALTH OF PENNSYLVANIA  
CONTRIBUTIONS**

**DECEMBER 31, 2012**

**POLICE:**

<b>YEAR ENDED DECEMBER 31,</b>	<b>ANNUAL REQUIRED CONTRIBUTION</b>	<b>PERCENTAGE OF REQUIRED CONTRIBUTION</b>
2003	\$ 1,291,802	100%
2004	\$ 1,995,150	100%
2005	\$ 2,042,829	100%
2006	\$ 2,665,273	100%
2007	\$ 2,781,834	100%
2008	\$ 3,451,236	100%
2009	\$ 3,720,809	100%
2010	\$ 3,746,842	100%
2011	\$ 4,731,466	100%
2012	\$ 4,414,043	100%

**FIRE:**

<b>YEAR ENDED DECEMBER 31,</b>	<b>ANNUAL REQUIRED CONTRIBUTION</b>	<b>PERCENTAGE OF REQUIRED CONTRIBUTION</b>
2003	\$ 380,416	100%
2004	\$ 498,664	100%
2005	\$ 506,159	100%
2006	\$ 636,388	100%
2007	\$ 614,228	100%
2008	\$ 712,761	100%
2009	\$ 760,335	100%
2010	\$ 779,085	100%
2011	\$ 898,564	100%
2012	\$ 817,982	100%

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

**SCHEDULE OF EMPLOYER AND COMMONWEALTH OF PENNSYLVANIA  
CONTRIBUTIONS**

**DECEMBER 31, 2012**

**MUNICIPAL:**

<b>YEAR ENDED DECEMBER 31,</b>	<b>ANNUAL REQUIRED CONTRIBUTION</b>	<b>PERCENTAGE OF REQUIRED CONTRIBUTION</b>
2003	\$ -	100%
2004	\$ -	100%
2005	\$ -	100%
2006	\$ 107,536	100%
2007	\$ 117,534	100%
2008	\$ 273,359	100%
2009	\$ 327,956	100%
2010	\$ 374,296	100%
2011	\$ 822,055	100%
2012	\$ 728,888	100%

**SUPPLEMENTAL INFORMATION**



**THE TOWNSHIP OF UPPER DARBY**  
**SUPPLEMENTAL INFORMATION**  
**BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**

DECEMBER 31, 2012

	HISTORIC PRESERVATION FUND	COMMUNITY FORESTRY GRANT	PECO GREEN REGION	UPPER DARBY FOOTBALL BOWL	WEED AND SEED	PAGE SUBTOTAL
<b>ASSETS</b>						
Cash	\$ 64	\$ 1,250	\$ -	\$ 4,309	\$ 348,230	\$ 353,853
Other receivables	-	-	-	-	9	9
Due from other funds	-	-	-	-	-	-
Grant receivable	-	-	-	-	-	-
Due from Commonwealth	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 64</u>	<u>\$ 1,250</u>	<u>\$ -</u>	<u>\$ 4,309</u>	<u>348,239</u>	<u>\$ 353,862</u>
<b>Liabilities</b>						
Due to Debt Service fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	112,712	112,712
Due to general fund	-	-	-	-	203,176	203,176
Unearned revenue	-	1,250	-	-	-	1,250
Total liabilities	<u>-</u>	<u>1,250</u>	<u>-</u>	<u>-</u>	<u>315,888</u>	<u>317,138</u>
<b>Fund Balance</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	32,351	32,351
Committed for:						
Debt service	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	64	-	-	4,309	-	4,373
Total fund balance	<u>64</u>	<u>-</u>	<u>-</u>	<u>4,309</u>	<u>32,351</u>	<u>36,724</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 64</u>	<u>\$ 1,250</u>	<u>\$ -</u>	<u>\$ 4,309</u>	<u>\$ 348,239</u>	<u>\$ 353,862</u>

**THE TOWNSHIP OF UPPER DARBY**  
**SUPPLEMENTAL INFORMATION**  
**BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS**

DECEMBER 31, 2012

	STORMWATER AND CURB REPLACEMENT	SEWER RENTAL SINKING FUND	MUNICIPAL BUILDING IMPROVEMENTS I	COMMUNITY DEVELOPMENT GRANTS	PAGE SUBTOTAL	TOTAL
<b>ASSETS</b>						
Cash	\$ 35,000	\$ 17,537	\$ 310,000	\$ -	\$ 362,537	716,390
Other receivables	-	-	-	-	-	9
Due from other funds	-	-	-	50	50	50
Grant receivable	-	-	-	11,621	11,621	11,621
Due from Commonwealth	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 35,000</u>	<u>\$ 17,537</u>	<u>310,000</u>	<u>\$ 11,671</u>	<u>\$ 374,208</u>	<u>\$ 728,070</u>
<b>Liabilities</b>						
Due to Debt Service fund	\$ -	\$ 88,118	\$ -	\$ -	\$ 88,118	\$ 88,118
Due to other entities	-	-	-	-	-	112,712
Due to general fund	-	-	-	11,621	11,621	214,797
Unearned revenue	35,000	-	310,000	50	345,050	346,300
Total liabilities	35,000	88,118	310,000	11,671	444,789	761,927
<b>Fund Balance</b>						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	-	-	-	32,351
Committed for:	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	(70,581)	-	-	(70,581)	(66,208)
Total fund balance	-	(70,581)	-	-	(70,581)	(33,857)
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 35,000</u>	<u>\$ 17,537</u>	<u>\$ 310,000</u>	<u>\$ 11,671</u>	<u>\$ 374,208</u>	<u>\$ 728,070</u>

THE TOWNSHIP OF UPPER DARBY  
 SUPPLEMENTAL INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	HISTORIC PRESERVATION FUND	COMMUNITY FORESTRY GRANT	PECO GREEN REGION	UPPER DARBY FOOTBALL BOWL	WEED AND SEED	PAGE SUBTOTAL
<b>REVENUES</b>						
Other grants and donations	\$ -	\$ -	\$ 5,000	\$ -	\$ -	\$ 5,000
Investment earnings	-	-	-	-	1	1
State grant	-	-	-	-	-	-
Total revenues	-	-	5,000	-	1	5,001
<b>EXPENDITURES</b>						
Governmental expenditures	1,100	-	-	-	-	1,100
Debt service						
Interest	-	-	-	-	-	-
Cost of issuance	-	-	-	-	-	-
Capital outlay						
Community development	-	-	5,000	-	-	5,000
Total expenditures	1,100	-	5,000	-	-	6,100
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	(1,100)	-	-	-	1	(1,099)
<b>OTHER FINANCING SOURCES AND (USES) OF FUNDS</b>						
Proceeds of bonds	-	-	-	-	-	-
Refunding of bonds	-	-	-	-	-	-
Operating transfer	-	-	-	-	-	-
Total other financing sources (uses) of funds	-	-	-	-	-	-
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	(1,100)	-	-	-	1	(1,099)
<b>FUND BALANCE - BEGINNING</b>	1,164	-	-	4,309	32,350	37,823
<b>FUND BALANCE - ENDING</b>	\$ 64	\$ -	\$ -	\$ 4,309	\$ 32,351	\$ 36,724

THE TOWNSHIP OF UPPER DARBY  
 SUPPLEMENTAL INFORMATION  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 NON-MAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2012

	STORMWATER AND CURB REPLACEMENT	SEWER RENTAL SINKING FUND	MUNICIPAL BUILDING IMPROVEMENTS I	COMMUNITY DEVELOPMENT GRANTS	PAGE SUBTOTAL	TOTAL
<b>REVENUES</b>						
Other grants and donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Investment earnings	-	-	-	-	-	1
State grant	-	-	-	26,571	26,571	26,571
Total revenues	-	-	-	26,571	26,571	31,572
<b>EXPENDITURES</b>						
Governmental expenditures	-	-	-	-	-	1,100
Debt service						
Interest	-	135,221	-	-	135,221	135,221
Cost of issuance	-	107,464	-	-	107,464	107,464
Capital outlay						
Community development	-	-	-	26,571	26,571	31,571
Total expenditures	-	242,685	-	26,571	269,256	275,356
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	-	(242,685)	-	-	(242,685)	(243,784)
<b>OTHER FINANCING SOURCES AND (USES) OF FUNDS</b>						
Proceeds of bonds	-	3,035,000	-	-	3,035,000	3,035,000
Refunding of bonds	-	(2,860,000)	-	-	(2,860,000)	(2,860,000)
Operating transfer	-	67,685	-	-	67,685	67,685
Total other financing sources (uses) of funds	-	242,685	-	-	242,685	242,685
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	-	-	-	-	-	(1,099)
<b>FUND BALANCE - BEGINNING</b>	-	(70,581)	-	-	(70,581)	(32,758)
<b>FUND BALANCE - ENDING</b>	\$ -	\$ (70,581)	\$ -	\$ -	\$ (70,581)	\$ (33,857)

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

BALANCE SHEET  
GENERAL FUND

DECEMBER 31, 2012

ASSETS

Cash and cash equivalents		\$ 3,152,274
Real estate taxes receivable		
Real estate taxes - current	\$ 2,026,742	
Less: Allowance for uncollectible accounts	<u>(608,022)</u>	
	1,418,720	
Real estate taxes - prior	1,474,377	
Less: Allowance for uncollectible accounts	<u>(442,313)</u>	
	1,032,064	
Total real estate taxes receivable		2,450,784
Other accounts receivable		2,147,913
Due from other entities		173,714
Due from other funds		517,102
<b>TOTAL ASSETS</b>		<u><u>\$ 8,441,787</u></u>

LIABILITIES AND FUND BALANCE

<b>Liabilities</b>		
Accounts payable	\$ 531,485	
Due to other funds	8,600	
Due to other governments	13,638	
Accrued payroll and related liabilities	433,069	
Escrow liability	100,685	
Deferred revenue	<u>3,236,061</u>	
Total liabilities	<u>4,323,538</u>	
<b>Fund Balance</b>		
Nonspendable		-
Restricted		-
Committed for:		
Debt service		-
Capital projects		-
Assigned to 2013 appropriation	500,000	
Unassigned	<u>3,618,249</u>	
Total fund balance	<u>4,118,249</u>	
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<u><u>\$ 8,441,787</u></u>

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**REVENUES**

Taxes - Real Estate (net) \$ 41,748,665

**Local Enabling Act Taxes**

Mercantile tax	1,295,202
Business privilege tax	572,437
Local service tax	647,227
Mechanical devices and amusement admission taxes	40,175
	<u>2,555,041</u>

**Licenses and Permits**

Beverage (liquor license)	25,750
Health, plumbing, and housing	560,548
Streets	59,037
Licenses and inspection	682,857
Cable television	1,325,460
	<u>2,653,652</u>

**Fines and Forfeits**

Upper Darby central courts	253,249
Police fines, violation, parking meter fines and drug forfeiture	515,658
	<u>768,907</u>

**Interest and Rents**

Investment earnings	13,022
Rent of building and parking lots	210,020
	<u>223,042</u>

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**Grants and Gifts**

Delaware County Office of Services for the Aging (COSA)	301,307
Federal grants	2,394,978
Public utility realty tax act	61,370
Affordable Housing grant	27,494
County Highway Aid	-
Miscellaneous grants	64,171
	<u>2,849,320</u>

**Departmental Earnings**

Garbage, refuse charges and recycling	4,012,094
Parking meters	656,977
Miscellaneous police	83,382
Other departmental revenue and miscellaneous revenue	771,758
HUD program income / loan recapture	94,518
	<u>5,618,729</u>
Total revenues	<u>56,417,356</u>

**NON-REVENUES**

Miscellaneous refunds and reimbursements	444,455
Municipal pension plans	2,087,790
Volunteer fire allocation	289,349
Sewer fund transfer	889,472
Total non-revenues	<u>3,711,066</u>

**TOTAL REVENUES**

60,128,422

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

GOVERNMENTAL EXPENDITURES

GENERAL GOVERNMENT

Administration

Salaries	997,817
Materials and supplies	28,332
General expenses	130,483
Emergency management	3,159
Maintenance and repairs	15,447
Court fees solicitor	320,684
HUD transfer	(6,377)
	<u>1,489,545</u>

Treasurer

Salaries	7,528
	<u>7,528</u>

Municipal Buildings

Salaries	906,409
Materials and supplies - general	42,483
Utility cost	242,903
Postage expense	53,129
Maintenance and repairs, computer administration	87,711
Drug alcohol testing	9,163
General expenses	28,084
HUD transfer	(131,518)
	<u>1,238,364</u>

Total general government 2,735,437



THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**PROTECTION TO PERSONS AND PROPERTY**

**Police Protection**

Salaries	13,532,241
Materials, supplies and general expenses	257,445
Utilities	63,882
Vehicle operation and new vehicles	175,161
Insurance, social security tax	5,772,700
Communication expense	46,409
Maintenance and repairs and equipment	117,635
Police training and civil service	64,025
Drug forfeiture expense	13,000
Computer maintenance and consulting	43,789
Pension plan contribution	4,414,043
HUD transfer	(298,747)
	<u>24,201,583</u>

**Fire**

Salaries	5,141,782
Materials, supplies, and general expenses	170,281
Utilities and hydrants	195,615
Communication expense	12,762
Insurance, social security tax and workers' compensation	1,868,400
Contribution volunteer fire companies	593,245
Pension contribution	817,982
	<u>8,800,067</u>

**Building Regulation Planning and Zoning**

Salaries	709,053
Materials and supplies	24,521
General expenses	24,070
HUD transfer	(15,530)
	<u>742,114</u>

Total protection to persons and property 33,743,764

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**HEALTH AND SANITATION**

**General Health Services**

Salaries	305,302
Materials and supplies	11,244
Communication expense	4,018
General expenses	57,115
	<u>377,679</u>

**Sanitation Collection and Disposal**

Salaries	2,397,281
Materials and supplies	13,560
General expenses, recycling and land fill fees	781,292
Lien fees	307,870
Communication expense	26,349
	<u>3,526,352</u>

Total health and sanitation 3,904,031

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**GENERAL SERVICES, STREET LIGHTS AND HIGHWAY**

**Electrical Department**

Salaries	310,428
Materials and supplies	7,462
General expenses	8,712
Maintenance and repairs, traffic lights and lighting	845,423
HUD transfer	(20,091.00)
	<u>1,151,934</u>

**Department of Public Works**

Salaries	370,779
Materials and supplies	63,995
General expenses	23,698
Vehicle operating expense, repairs and parts	1,042,799
Maintenance and equipment and construction repairs	390,188
	<u>1,891,459</u>

**Parking Meter**

Salaries	402,300
Materials and supplies	30,300
	<u>432,600</u>

Total general services, street lights and highway 3,475,993

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**DEPARTMENT OF LEISURE SERVICES**

**General Recreation Services**

Salaries	684,199
Materials and supplies	83,496
General expenses	259,593
	<u>1,027,288</u>

**Parks and Playgrounds**

Salaries	1,042,696
Materials and supplies	124,073
Maintenance and repairs	101,867
Utilities	113,850
Major equipment replacement and construction	26,253
General expenses	24,366
HUD transfer	0
	<u>1,433,105</u>

Total department of leisure services 2,460,393

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

<b>Miscellaneous Expenditures</b>	
Social security taxes	600,211
Volunteer fire allocation	289,348
Insurance premiums and workers' compensation claims	7,921,805
Grants and program activity, HUD, COSA, Senior centers, Home program, Affordable Housing	2,490,261
Municipal pension contribution	728,889
Refunds, contingencies and miscellaneous	179,251
Library contribution	<u>1,163,742</u>
Total miscellaneous expenditures	<u>13,373,507</u>
<b>TOTAL EXPENDITURES</b>	<u>59,693,125</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	435,297
<b>OTHER FINANCING SOURCES (USES) OF FUNDS</b>	<u>-</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	435,297
<b>FUND BALANCE - BEGINNING</b>	<u>3,682,952</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ 4,118,249</u></u>

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF SEWER ASSESSMENTS  
SEWER RENTAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2012

**Current Assessments**

Original bills	\$ 7,553,348
Less: Collections face	<u>6,161,406</u>

**BALANCE 2012 SEWER FUND ASSESSMENTS  
RECEIVABLE AT DECEMBER 31, 2012**

\$ 1,391,942

**Delinquent and Liened Assessments**

Beginning balance	\$ 2,079,190
Add: 2011 assessments unpaid at January 1, 2012	<u>1,262,440</u>

Less: Collections face - net adjustment	<u>832,249</u>
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**BALANCE PRIOR YEARS AT DECEMBER 31, 2012**

\$ 2,509,381

**THE TOWNSHIP OF UPPER DARBY**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND BUDGET COMPARISON  
DEPARTMENT OF LEISURE SERVICES  
COSA FUND**

**FOR THE YEAR ENDED JUNE 30, 2012**

	SENIOR CENTER		USDA	TOTAL	
	BUDGET	ACTUAL	PROGRAM ACTUAL	BUDGET	ACTUAL
<b>REVENUES</b>					
Delaware County Office Services for the Aging (COSA)	\$ 303,437	\$ 328,474	\$ -	\$ 303,437	\$ 328,474
Nutrition Services Incentive	-	-	3,791	-	3,791
Township of Upper Darby and program income	220,557	123,619	-	220,557	123,619
Total revenues	<u>523,994</u>	<u>452,093</u>	<u>3,791</u>	<u>523,994</u>	<u>455,884</u>
<b>EXPENDITURES</b>					
Personnel	317,782	283,212	-	317,782	283,212
Fringe	24,312	39,103	-	24,312	39,103
Occupancy**	121,000	103,162	-	121,000	103,162
Communications	20,400	-	-	20,400	-
Transportation	19,000	26,616	-	19,000	26,616
Contract services	20,000	-	-	20,000	-
Other expenses	1,500	-	-	1,500	-
Deli meals	-	-	3,791	-	3,791
Total expenditures	<u>523,994</u>	<u>452,093</u>	<u>3,791</u>	<u>523,994</u>	<u>455,884</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

\*Note: Senior Center Activities generate program income reducing overall cost to Township of Upper Darby; however, certain General Fund costs relative to the operations of the respective Senior Center are similarly not able to be specifically computed or directly allocated to the COSA supported program.

\*\* Occupancy includes imputed rent and utilities from Township estimates.

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-04-MC-42-0015**  
**PROGRAM YEAR 2004-PROGRAM YEAR PERIOD OCTOBER 1, 2004 TO SEPTEMBER 30, 2005**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2004 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing assistance	\$ 5,000	\$ -	\$ 5,000	\$ -
2. Progressive team patrol	350,000	-	350,000	-
3. Street resurfacing	150,000	-	150,000	-
4. Code enforcement low/mod	174,988	-	174,988	-
5. OOHR emergency	65,167	-	65,167	-
6. Renovation firehouse #1	40,000	-	40,000	-
7. Housing Rehab Flood Damage	-	-	-	-
8. Capital improvement life center	25,000	-	25,000	-
9. Abused services ESG	55,705	-	55,705	-
10. 4th Street storm sewer	6,775	-	6,775	-
11. Watkins Center	127,732	-	127,732	-
12. Upper Darby Community Center	5,020	-	5,020	-
13. First time homebuyer	101,514	-	101,514	-
14. Cobbs Creek Housing ESG	30,000	-	30,000	-
15. Market Street project	218,862	-	218,861	-
16. Administration of Housing Rehab Flood Damage*	-	-	-	-
17. 2nd Ward playground improvements	133,653	-	133,653	-
18. Zoning *	153,576	4,118	153,577	-
19. Baltimore Pike inlet construction	16,036	-	16,036	-
20. Code enforcement slum/blight	24,987	-	24,987	-
21. Naylors Run Culvert Flood Area	275,000	-	275,000	-
Rehabilitation Loans/Grants				
Neighborhood improvement HICCP	671,228	-	671,228	-
Administrative	158,123	-	158,123	-
Subtotal	2,788,366	4,118	2,788,366	-
Contingencies and/or local option activities	-	-	-	-
<b>TOTAL</b>	<b>\$ 2,788,366</b>	<b>\$ 4,118</b>	<b>\$ 2,788,366</b>	<b>\$ -</b>

\* Rebudget during fiscal year



**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-07-MC-42-0015**  
**PROGRAM YEAR 2007 - PROGRAM YEAR PERIOD OCTOBER 1, 2007 TO SEPTEMBER 30, 2008**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2007 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing assistance	\$ 4,997	\$ -	\$ 4,997	\$ -
2. Progressive team patrol	314,198	-	314,198	-
3. Street resurfacing	162,788	-	162,788	-
4. Code enforcement low/mod	124,998	-	124,998	-
5. OHR emergency	27,366	-	27,366	-
6. Renovation firehouse #1	100,000	-	100,000	-
7. Cardington Stonehurst firehouse	75,000	-	75,000	-
8. LED traffic signal and emergency vehicle *	-	-	-	-
9. Cobbs Creek Interceptor sewer	100,000	-	100,000	-
10. Domestic abuse ESG	65,000	-	65,000	-
11. Purchase fire apparatus	100,000	-	100,000	-
12. Cobbs Creek Housing ESG	20,940	-	20,940	-
13. Market Street project	-	-	-	-
14. Code enforcement slum/blight	1,624	-	1,624	-
15. Metering sewer flow	53,776	-	53,776	-
16. Capital Improvements	24,000	-	24,000	-
17. Interim assistance Weed and Seed	26,996	-	26,996	-
18. Demolition of UD Community Center	234,516	-	234,516	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	527,125	-	527,125	-
Administrative	163,685	-	163,685	-
Subtotal	<u>2,127,009</u>	-	<u>2,127,009</u>	-
Contingencies and/or local option activities	-	-	-	-
<b>TOTAL</b>	<u><u>\$ 2,127,009</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,127,009</u></u>	<u><u>\$ -</u></u>

\* Rebudgeted during the fiscal year

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-08-MC-42-0015**  
**PROGRAM YEAR 2008 - PROGRAM YEAR PERIOD OCTOBER 1, 2008 TO SEPTEMBER 30, 2009**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2008 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing assistance	\$ 5,000	\$ -	\$ 5,000	\$ -
2. Progressive team patrol	396,848	-	396,848	-
3. Street resurfacing	150,000	-	150,000	-
4. Code enforcement low/mod	124,994	-	124,994	-
5. OHR emergency	25,000	-	25,000	-
6. Renovation firehouse #1	51,397	-	51,397	-
7. Cardington Stonehurst firehouse	78,482	-	78,482	-
8. Cobbs Creek Interceptor sewer	43,634	-	43,634	-
9. Domestic abuse ESG	50,000	-	50,000	-
10. First time homebuyers	100,000	-	100,000	-
11. Micro Enterprise Development*	4,965	-	4,965	-
12. Cobbs Creek Housing ESG	35,905	-	35,905	-
13. Market Street project	-	-	-	-
14. Code enforcement slum/blight	22,622	-	22,622	-
15. Garrett road sanitary sewer replacement	193,799	-	193,799	-
16. Capital Improvements Homeless shelter	25,000	-	25,000	-
17. Interim assistance Weed and Seed	14,996	-	14,996	-
18. Replacement flooring Watkins	24,207	-	24,207	-
19. Glencoe emergency sewer	205,590	-	205,590	-
20. Glencoe road sewer relining	66,519	-	66,519	-
21. Ludlow Street sanitary sewer rehab	59,357	-	59,357	-
22. Design of New Library*	101,408	-	101,408	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	470,000	-	470,000	-
Administrative	187,834	-	187,834	-
Subtotal	2,437,557	-	2,437,557	-
Contingencies and/or local option activities	-	-	-	-
<b>TOTAL</b>	<b>\$ 2,437,557</b>	<b>\$ -</b>	<b>\$ 2,437,557</b>	<b>\$ -</b>

\* Rebudgeted during the fiscal year

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-08-MC-42-0015**  
**PROGRAM YEAR 2009 - PROGRAM YEAR PERIOD OCTOBER 1, 2009 TO SEPTEMBER 30, 2010**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2009 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing assistance	\$ 2,944	\$ -	\$ 2,944	\$ -
2. Progressive team patrol	293,833	-	293,833	-
3. Street resurfacing	150,000	-	150,000	-
4. Code enforcement low/mod	125,663	-	125,663	-
5. OHR emergency	100,601	-	100,601	-
6. Renovation firehouse #1	73,603	2,804	47,504	-
7. Cardington Stonehurst firehouse*	71,518	30,789	65,775	-
8. Cobbs Creek Interceptor sewer	150,000	-	-	-
9. Domestic abuse ESG	50,000	-	50,000	-
10. First time homebuyers	125,000	-	125,000	-
11. Welcome Center renovations*	20,000	-	-	-
12. Cobbs Creek Housing ESG	35,529	-	35,529	-
13. Market Street project	303,539	-	303,539	-
14. Glencoe and Chestnut sanitary sewer rehab*	-	-	-	-
15. Capital Improvements Homeless shelter	25,000	-	25,000	-
16. Interim assistance Weed and Seed	15,000	-	15,000	-
17. Watkins Avenue Community Center fitness	10,113	-	10,113	-
18. Sewer flow metering	132,000	-	132,000	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	428,286	-	428,286	-
Administrative	170,607	-	170,607	-
Subtotal	2,283,236	33,593	2,081,394	-
Contingencies and/or local option activities*	478,528	-	-	-
<b>TOTAL</b>	<b>\$ 2,761,764</b>	<b>\$ 33,593</b>	<b>\$ 2,081,394</b>	<b>\$ -</b>

\* Rebudgeted during fiscal year

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**  
**PROGRAM YEAR 2010 - CDBG NO. B-08-MC-42-0015**  
**STATEMENT OF SOURCE AND STATUS OF FUNDS**  
**FOR THE PERIOD OCTOBER 1, 2010 THROUGH DECEMBER 31, 2012**

		<b>GRANT AMOUNT</b>
Total program year 2010 funds		\$2,128,552
Emergency shelter funds		85,836
		2,214,388
Less: Total program year 2010 funds drawdown by recipient		2,214,388
Program funds still available to program year 2010		-
Program income applicable to program year 2010		181,676
Program year 2010 funds received		2,396,064
Total funds applied to prior year:	\$ 1,601,295	
	2011 <u>794,769</u>	<u>2,396,064</u>
Total program year 2010 funds held by recipient		\$ -
Total program year 2010 funds available for disposition		\$ -

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-08-MC-42-0015**  
**PROGRAM YEAR 2010 - PROGRAM YEAR PERIOD OCTOBER 1, 2010 TO SEPTEMBER 30, 2011**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2010 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing outreach	\$ 7,056	\$ -	\$ 7,056	\$ -
2. Progressive team patrol	319,282	-	319,282	-
3. Street resurfacing	175,000	-	175,000	-
4. Code enforcement low/mod	125,006	-	125,006	-
5. OOHR emergency	132,340	-	132,340	-
6. Market Street Gateway	494,568	-	494,568	-
7. Construction of Library and Community Center	129,270	6,781	76,051	-
8. Cobbs Creek Interceptor sewer	150,000	-	-	-
9. Domestic abuse ESG	50,000	-	50,000	-
10. First time homebuyers	75,000	9,132	75,000	-
11. Chestnut St. and Powell Sewer Replacement	100,000	-	-	-
12. Cobbs Creek Housing ESG	35,836	-	35,836	-
13. Sewer Flow Metering Cobbs and Naylor	140,000	46,002	140,000	-
14. Code enforcement slum/blight *	8,632	-	8,632	-
15. Sellers Library, Installation handicap	7,150	-	7,150	-
17. Interim assistance Weed and Seed	15,000	-	15,000	-
18. Capital improvement Cobbs Creek Housing	25,000	13,890	25,000	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	550,896	-	550,896	-
Administrative*	202,293	32,593	202,293	-
Subtotal	2,742,329	108,398	2,439,110	-
Contingencies and/or local option activities	-	-	-	-
<b>TOTAL</b>	<b>\$ 2,742,329</b>	<b>\$ 108,398</b>	<b>\$ 2,439,110</b>	<b>\$ -</b>

\* Rebudgeted during fiscal year

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**  
**PROGRAM YEAR 2011 - CDBG NO. B-08-MC-42-0015**

**STATEMENT OF SOURCE AND STATUS OF FUNDS**  
**FOR THE PERIOD OCTOBER 1, 2011 THROUGH DECEMBER 31, 2012**

		<u>GRANT AMOUNT</u>
Total program year 2011 funds		\$1,776,037
Emergency shelter funds		<u>86,237</u>
		1,862,274
Less: Total program year 2011 funds drawdown by recipient		<u>778,290</u>
Program funds still available to program year 2011		1,083,984
Program income applicable to program year 2011		<u>94,514</u>
Program year 2011 funds received		872,804
Total funds applied to prior year:	\$ 9,201	
	2004 4,118	
	2009 33,593	
	2010 108,398	
	2011 369,864	
	2012 <u>347,630</u>	872,804
Total program year 2011 funds held by recipient		<u>\$ -</u>
Total program year 2011 funds available for disposition		<u>\$ -</u>

**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-08-MC-42-0015**  
**PROGRAM YEAR 2011 - PROGRAM YEAR PERIOD OCTOBER 1, 2011 TO SEPTEMBER 30, 2012**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2011 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing outreach	\$ 5,000	\$ 2,975	\$ 3,150	\$ -
2. Progressive team patrol *	293,797	127,774	293,797	-
3. Street resurfacing	200,000	199,955	199,955	-
4. Code enforcement low/mod	125,000	84,493	125,000	-
5. OOHR emergency*	125,000	6,197	125,000	-
6. Market Street Gateway	50,000	-	-	-
7. LED Hand and Man Pedestrian Signals*	-	-	-	-
8. Cobbs Creek Interceptor sewer	75,000	-	-	-
9. Domestic abuse ESG	40,237	32,089	40,237	-
10. First time homebuyers	75,000	74,959	74,959	-
11. 69th Street Blvd and Marshall Road Pavement	50,000	-	-	-
12. Cobbs Creek Housing ESG	46,000	41,012	46,000	-
13. Replacement of various street signs	49,632	31,112	37,872	-
14. Code enforcement slum/blight	20,000	2,077	2,077	-
15. Emergency rehab vacant properties	25,000	-	-	-
16. Chestnut Street & Powell Lane Sewer replacement	100,000	-	-	-
17. Interim assistance Weed and Seed	15,000	-	14,971	-
18. Capital improvement Cobbs Creek Housing*	33,723	8,433	8,433	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	410,000	425,418	490,439	-
Administrative	200,000	138,093	144,993	-
Subtotal	1,938,389	1,174,587	1,606,883	-
Contingencies and/or local option activities	-	-	-	-
<b>TOTAL</b>	<b>\$ 1,938,389</b>	<b>\$ 1,174,587</b>	<b>\$ 1,606,883</b>	<b>\$ -</b>

\* Rebudgeted during fiscal year

THE TOWNSHIP OF UPPER DARBY

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

PROGRAM YEAR 2012 - CDBG NO. B-08-MC-42-0015

STATEMENT OF SOURCE AND STATUS OF FUNDS  
FOR THE PERIOD OCTOBER 1, 2011 THROUGH DECEMBER 31, 2012

		<u>GRANT AMOUNT</u>
Total program year 2012 funds		\$1,362,348
Emergency shelter funds		<u>202,308</u>
		1,564,656
Less: Total program year 2012 funds drawdown by recipient		<u>9,954</u>
		-
Program funds still available to program year 2012		1,554,702
Program income applicable to program year 2012		<u>-</u>
		-
Program year 2012 funds received		9,954
Total funds applied to prior year:		
	\$ -	
	2011 <u>9,954</u>	9,954
Total program year 2012 funds held by recipient		<u>\$ -</u>
Total program year 2012 funds available for disposition		<u>\$ -</u>



**THE TOWNSHIP OF UPPER DARBY**  
**COMMUNITY DEVELOPMENT GRANT FUNDS-CDBG NO. B-08-MC-42-0015**  
**PROGRAM YEAR 2012 - PROGRAM YEAR PERIOD OCTOBER 1, 2012 TO SEPTEMBER 30, 2013**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2012 THROUGH DECEMBER 31, 2012**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/12	EXPENDITURES CUMULATIVE 12/31/12	QUESTIONED COSTS 12/31/12
1. Fair housing outreach	\$ 5,000	\$ -	\$ -	\$ -
2. Progressive team patrol	204,352	170,972	170,972	-
3. Street resurfacing	175,000	-	-	-
4. Code enforcement low/mod	125,000	104,608	104,608	-
5. OHR emergency	75,000	16,585	16,585	-
9. Domestic abuse ESG	40,237	3,372	3,372	-
10. First time homebuyers	50,000	11,388	11,388	-
11. Bond Avenue Stormwater Pump Station	30,000	-	-	-
12. Cobbs Creek Housing ESG	46,000	6,582	6,582	-
13. Replacement of various street signs	25,000	-	-	-
14. Code enforcement slum/blight	20,000	-	-	-
15. Homeless assistance program	67,563	-	-	-
16. Abbey Terrace Storm Sewer installation	15,000	-	-	-
17. Backflow protection program	25,000	-	-	-
18. Capital improvement Cobbs Creek Housing	5,000	-	-	-
19. Firehouse 7241 WestChester Pike	20,000	-	-	-
20. Cardington Stonehurst Firehouse	25,000	-	-	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	385,000	34,123	34,123	-
Administrative	177,996	-	-	-
Subtotal	<u>1,516,148</u>	<u>347,630</u>	<u>347,630</u>	<u>-</u>
Contingencies and/or local option activities	-	-	-	-
TOTAL	<u>\$ 1,516,148</u>	<u>\$ 347,630</u>	<u>\$ 347,630</u>	<u>\$ -</u>