

**THE TOWNSHIP OF UPPER DARBY**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**



THE TOWNSHIP OF UPPER DARBY  
YEAR ENDED DECEMBER 31, 2017

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CERTIFIED PUBLIC ACCOUNTANTS

## 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, 2017, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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, 2017, 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.



### **Emphasis of Matter**

#### *Change in accounting Principle*

During this period, as described in the Notes to Financial Statements, The Township early implemented new accounting guidance, GASB No 75, *Accounting and Financial Reporting for Postemployment Benefits other Than Pensions*. The beginning net position within the government-wide financial statements was restated as described in Note 19 to these financial statements.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension plan trend information and other post-employment benefits on pages 4 through 14, 72 through 75 and 76 through 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Upper Darby's financial statements. The combining non-major fund financial statements (pages 82 through 83), selected individual fund information (pages 84 through 92), Sewer Rental Fund Statement of Sewer Assessments (page 93), schedule of COSA fund (page 94), the Statement of Sources and Status of Funds and Statement of Program Costs (pages 95 through 104) are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, the selected individual fund information, Sewer Rental Fund Statement of Sewer Assessments, schedule of COSA fund, the Statement of Sources and Status of Funds and Statement of Program Costs are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2018, 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



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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.

*Leitzel & Economidis PC*

LEITZEL & ECONOMIDIS, PC  
Certified Public Accountants

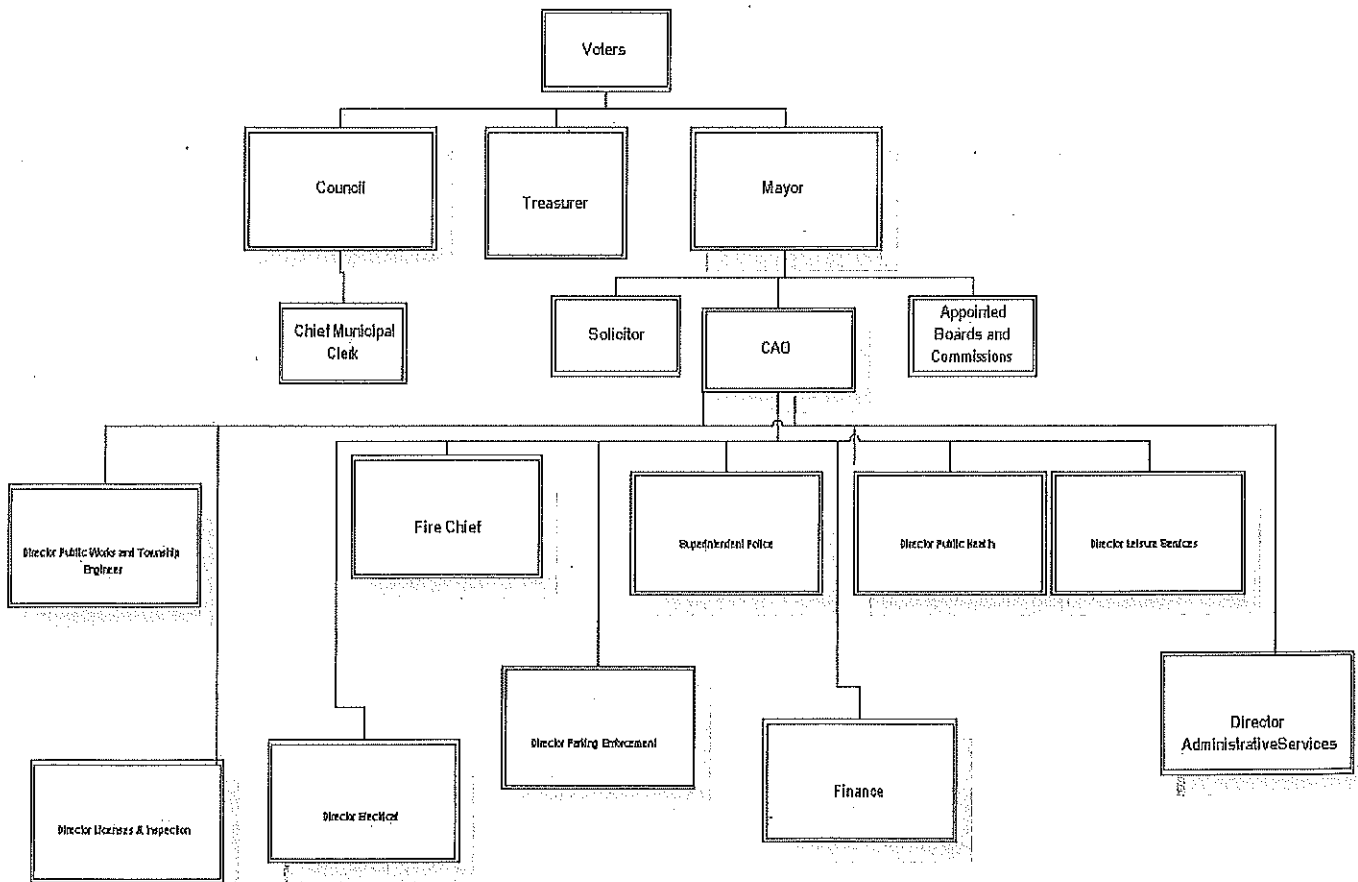
June 20, 2018

**THE TOWNSHIP OF UPPER DARBY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(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, 2017. 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 \$(290,529,113) in 2017 reflecting a loss for the period of \$21,969,999. Beginning net position was decreased as a result of the actuarial increase in Other Post Employment Benefits (OPEB) liability in the amount of \$106,534,113 resulting from adoption of a new accounting standard. This decrease in net position for the period was resulting primarily from two factors: (1) Post-employment benefit expense is increased for the government-wide statement by \$22,837,180 over the pay as you go amount as reflected within the governmental statements in the amount of \$4,343,212. Presenting the long term post-employment benefits in the government wide statements is pursuant to Government Accounting Standards Board Statement 75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions" (OPEB) which cost is actuarially determined. (2) The Township continues to recognize the long-term net pension liability and the resultant actuarial changes representing each of the three pension plans sponsored by the Township. Presenting this liability within the government wide statements in the amount of \$34,005,594 is pursuant to the adoption the Government Accounting Standards Board (GASB) Statement 68, *Accounting and Reporting for Pensions* relative to state and local governments.
- The governmental funds reported expenditures in excess of revenue in the amount of \$3,972,279 which included \$3,675,072 in capital related expenditures relative to community development, highways, streets and sewers and other departmental capital costs, as well as \$2,960,000 in debt principal payments.
- The Township's investment in its capital lease with the Philadelphia Water Department for wastewater treatment decreased this period by \$617,478. This represents the book value of those assets over the related depreciation and additional capital costs.
- During the year, the Township's operating revenue (without regard for the decrease in investment) on the government wide statements increased slightly to \$85,692,871, an approximate 3% increase. Charges for services increased this period with upsurges in public safety, sanitation and leisure services. There was, however, a slight decrease in sewer fee collection revenue. There was a decrease in grant activity primarily in community development, highway and street activity and additional public safety grants.
- Operating expenses, without regard to the OPEB charges (\$27,180,392), difference between actuarial and actual pension contributions, and allocated and non-allocated depreciation and amortization in the government-wide statements (\$1,666,233), decreased approximately 3% primarily in the general government expenses (including benefits and insurance), public safety (inclusive of pension obligations for police and fire personnel), and sewer improvement costs. Despite

the overall reduction in government-wide expenses, the Township is showing an upsurge in leisure services and park costs, public works and sanitation charges.

- Revenues for the Township's governmental fund activities (without regard to debt proceeds) increased slightly to \$86,685,353 (3.4%) in total while total governmental fund expenditures increased by \$5,464,255 over the previous year, approximately 6%. A significant part of the increase is reflected in the increase in capital project expenditures this period (\$3,675,072). Despite a reduction in Sewer rental fee collection, as noted revenues were increased in the governmental funds. Operating grants were slightly decreased as large projects had been completed the prior year. Departmental earnings increased along with varied reimbursements. Investment earnings increased considerably as a result of market conditions and new investment opportunities consistent with the Home Rule Charter and First Class Township Code.
- At the close of this fiscal year, unassigned fund balance in the General Fund was \$4,851,854, 6.70% of total General Fund expenditures or 6.66% of total General Fund revenues.
- The General Fund activities resulted in a surplus of \$405,216, well above that anticipated with the assigned fund balance for 2017 that was in the amount of \$2,024,379. Investment earnings as noted above were higher than anticipated because of market conditions and well in excess of budgetary anticipation. Revenues as a whole were over budget, particularly in real estate collections, license and inspections, and State Aid for pension contributions. Management maintained expenditures significantly below budgeted levels. The Township was able to utilize less of its fund balance for operations than that budgeted as previously noted.
- Other municipality reimbursements for joint sewer treatment costs were decreased somewhat this period because of slightly lower treatment costs from third parties. Expenditures remained stable from the prior year while revenues within the Sewer fund increased as a result of increased collection activity.

## **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 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 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 nine 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 rental 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 four fiduciary funds. 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 has 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 *Summary of Changes in Net Position*. Table 3 provides a comparative of the components of the capital assets from 2016 to 2017. Table 4 shows changes in outstanding bonded debt from 2016 to 2017.

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

	<b>2017</b>	<b>2016 restated</b>
Current assets	\$32,637,847	\$29,190,817
Capital assets, net	26,869,994	24,933,637
Restricted assets	560,215	119,503
Other assets	5,450,128	6,067,606
Total assets	<u>65,518,184</u>	<u>60,311,563</u>
Deferred outflows of resources	<u>28,402,176</u>	<u>8,959,897</u>
Current liabilities	4,195,295	2,511,229
Noncurrent liabilities	363,103,121	223,293,736
Total liabilities	<u>367,298,416</u>	<u>225,804,965</u>
Deferred inflows of resources	<u>17,151,057</u>	<u>6,130,271</u>
Net position invested in capital assets	24,941,576	29,840,574
Restricted	13,338,150	9,450,346
Unrestricted	(328,808,839)	(311,231,193)
Total net position	<u>(\$290,529,113)</u>	<u>(\$271,940,273)</u>

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

	2017	2016
<b>Revenues</b>		
Property taxes	\$54,425,418	\$52,786,769
Local enabling taxes	3,014,352	2,776,504
Charges for services	19,669,224	19,219,846
Operating grants	7,005,987	7,294,397
Rent	224,890	223,643
Interest	350,962	106,886
Miscellaneous	1,002,038	742,773
Total revenues	<u>85,692,871</u>	<u>83,150,818</u>
<b>Operating expenses</b>		
General government	14,388,408	16,381,615
Public safety	40,176,618	44,443,810
Sewers	7,835,469	8,114,268
Highway and streets	1,928,259	2,085,273
Sanitation	5,045,875	4,992,633
Community development	1,596,585	2,305,017
Public works	3,587,208	3,364,756
Leisure services	3,277,143	2,828,949
Library contribution	1,320,845	1,311,144
Interest and debt issuance costs	672,036	325,537
Post employment benefits	27,180,392	23,899,171
Unallocated depreciation/amortization	36,554	60,132
Total program/function	<u>107,045,392</u>	<u>110,112,305</u>
Excess of total revenues over (under) expenses	(21,352,521)	(26,961,487)
Increase (decrease) in investment net of contribution	(617,478)	(534,737)
Change in net position	<u>\$ (21,969,999)</u>	<u>\$ (27,496,224)</u>

The Township's capital assets increased by \$3,080,770 net of deletions from 2016 to 2017. Total fixed assets at December 31, 2017 were valued at \$68,285,695 before depreciation.

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

<u>CAPITAL INVESTMENT</u>	<u>2017</u>	<u>2016</u>	<u>%Inc/Decr</u>
Land	\$ 4,746,363	\$ 4,663,375	1.78%
Buildings	17,215,887	17,184,967	0.18%
Equipment	19,159,911	18,464,203	3.77%
Construction in process	2,054,082	-	100.00%
Infrastructure	25,109,452	24,892,380	0.87%
Totals	<u>\$68,285,695</u>	<u>\$65,204,925</u>	<u>106.60%</u>

The Township, at December 31, 2017, had \$20,387,000 in outstanding general obligation bonds and notes. The 2012 note in the amount of \$3,035,000 carries 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 2.332%. The 2016 bond issuance carries a 4% fixed rate; and the 2017 note bears interest rates of 2-4%.

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

<u>SERIES</u>	<u>2017</u>	<u>2016</u>	<u>Inc. / (Dec)</u>
Note of 2006	\$ -	\$ 1,281,000	\$ (1,281,000)
Note of 2008	567,000	1,061,000	(494,000)
Series of 2010 Bonds	720,000	1,425,000	(705,000)
Note of 2009	3,455,000	3,460,000	(5,000)
Series 2012 Bonds	485,000	960,000	(475,000)
Series 2016 Bonds	7,515,000	7,515,000	-
Series 2017 Bonds	7,645,000	-	7,645,000
Total outstanding debt	<u>\$20,387,000</u>	<u>\$15,702,000</u>	<u>\$ 4,685,000</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 Township through its Comprehensive Planning committee has updated the Comprehensive Plan which provides a roadmap/action plan for the next 10-year period.

The Market Street and 69<sup>th</sup> Street area is the Township's main business center. This area also serves as a key transportation hub for the Philadelphia Metropolitan area. This section 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. Since 2013, we have seen the opening of retail outlets Burlington Coat Factory, Ross Dress for Less store, H and M., Studio Movie Grill, International House of Pancakes, Gap and Modells. We also saw a Ross Dress for Less retail outlet open in the Pilgrim Gardens Shopping Center. Ashkenazy Corporation continues its efforts to revitalize the 69<sup>th</sup> Street shopping district and has started talks related to the redevelopment of a new shopping area at the site of a former big box retail operation on the corner of 69<sup>th</sup> and Walnut Streets. A little off the Market Street/West Chester Pike strip on the 7000 block of Terminal Square, the national supermarket chain H-Mart continues to be a successful community partner. 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. Right at the corner of Garrett Road and Long Lane we have the Five Points Coffee House, a blend of refreshment and student housing for the schools of higher learning in the Philadelphia University City district. A little east on 69<sup>th</sup> Street, just past Marshall Road, the Fresh Grocery supermarket chain has redeveloped the former supermarket store previously occupied by Pathmark.

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 and SEPTA have partnered on the parking garage project with the proposed garage planned to be built on the SEPTA parking lot adjacent to the 69<sup>th</sup> Street transportation terminal. This development has been advertised seeking qualified bidders. In addition, SEPTA and the Township Administration worked together to refurbish the Primos train station on the Media Elwyn train line. The Primos station includes enhanced and expanded parking. The refurbishing of the Secane train station continues to move forward with enhanced parking and raised platforms.

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 corner of Baltimore Pike and Union Avenue continues to show improved development with the successful Goodwill operation. The Goodwill facility houses a collection/refurbish warehouse and job training and opportunity office. The retail outlet Advanced Auto on this site is very successful. The site has been enhanced with the development of a McDonalds restaurant. A new



Super WAWA store has opened at the corner of West Chester Pike and Park Ave and is evidencing resounding success. Wawa has identified two yet unnamed sites in Upper Darby for development. Construction details will be available during 2018. The Drexeline shopping center was purchased by the Baltimore Maryland firm of MCB real estate, with plans to redevelop the property into a walkable, mixed use development designed to better serve the growing Upper Darby community. This location has also been identified by Wawa as the third location for a new Super Wawa. While details of the development are still in the planning stage, the Developer has advised that a new 80,000 square foot Shop Rite and a new redeveloped Anthony's restaurant will be part of the plan. More detailed plans will be available during mid 2018.

The Drexelbrook Catering and Convention center has started construction on a new 100 room hotel. The Hotel should be opened for business in the fall 2018. Upper Darby Township has the possibility of second Hotel Development at the corner of Chestnut street and Garrett Road. While the details of the development have not yet been released, the developer wants to convert the Minerva Court apartment into a 100 room hotel. More information will be available during 2018.

The Township will continue to promote all business districts in the community while attempting to avoid cross competition among the business districts.

A joint cooperative effort with the County of Delaware and Upper Darby Township continue to provide a safe and friendly environment at the Kent Dog Park. The cooperative team effort has started work on a walking trail along the Darby Creek, from Kent Dog Park to the Swedish cabin.

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, through the Center for Family Safety, continues its support of the program's goal to weed out drugs and crime and through faith based organizations seed the area with programs to prevent the return of drugs and crime. The Center for Family Safety staff has initiated an aggressive program to reach out into the community with programs. In 2017 these programs included topics such as parenting skills, how to improve your credit seminars, first time homebuyer's programs, how to start a small business, along with activities related to English as a second language and immigration law and regulations. In addition, the Center for Family Safety adds support to the Police Athletic League summer basketball program and the Anthony Becht football camp held at the Monsignor Bonner athletic complex.

The Center for Family Safety staff, together with the Upper Darby Welcome Center staff and the Chamber of Commerce, continues its outreach program to local community businesses to help assess their skills and needs as business owners. This effort, enhanced with the staffing of a police substation on Long Lane and 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 needs of the Upper Darby Township immigrant population.

The Upper Darby Community is deeply supportive of the Upper Darby Performing Arts Center, a joint effort between the Upper Darby School District and Upper Darby Township. The Performing Arts Center's mission is 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 performs seven

theater productions each summer which are enjoyed by over 30,000 individuals. Since 2011 the Township has supported the Brad Schoener Memorial Fund's Music Marathon and Schoener Music Man Camp.

**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 of its funds. If you have questions regarding this report or would like additional information, contact the Chief Administrative Officer, Upper Darby Township, 100 Garrett Road, Upper Darby, PA 19082.

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

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF NET POSITION

DECEMBER 31, 2017

	Primary	Component Units	
	Governmental Activities	UD Township and Sellers Memorial Library	Weed and Seed, Inc Center for Family Safety
<b>ASSETS</b>			
Cash and cash equivalents	\$ 21,415,737	\$ 241,059	\$ 16,246
Investment	-	33,189	-
Receivables (net of allowance for uncollectibles)	9,589,750	1,713	-
Due from other governments	213,722	-	8,310
Prepaid assets	1,418,638	31,925	-
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	560,215	-	-
Capital assets (net of accumulated depreciation):			
Land and non-depreciable historical site	4,637,840	464,384	-
Construction in process	2,054,082	-	-
Land improvements	91,386	-	-
Buildings and improvements	2,887,273	265,316	-
Machinery and equipment	5,831,666	34,524	-
Infrastructure	11,367,747	-	-
Library books and materials	-	428,272	-
Investment in wastewater treatment plant	5,450,128	-	-
Total assets	<u>65,518,184</u>	<u>1,500,382</u>	<u>24,556</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized bond discounts	61,567	-	-
OPEB deferrals	24,353,504	-	-
Pension expense deferrals	3,987,105	-	-
	<u>28,402,176</u>	<u>-</u>	<u>-</u>
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	2,060,575	136,669	-
Due to other entities	21,948	-	-
Escrow liability	316,252	-	-
Unearned grant revenue	9,520	-	-
Long-term liabilities:			
Due within one year	1,787,000	-	-
Due in more than one year	363,103,121	-	-
Total liabilities	<u>367,298,416</u>	<u>136,669</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension expense deferrals	16,635,182	-	-
Unamortized bond premiums	515,875	-	-
	<u>17,151,057</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	24,941,576	-	-
Restricted for:			
Capital projects	13,028,454	-	-
Debt service	309,696	-	-
Unrestricted	(328,808,839)	1,363,713	24,556
Total net position	<u>\$ (290,529,113)</u>	<u>\$ 1,363,713</u>	<u>\$ 24,556</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, 2017

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grant and Contributions	Primary Government Activities	Component Units
<b>Primary Government:</b>						
General governmental	\$ 14,388,408	115,013	\$ 940,591	\$ -	\$ (13,332,804)	\$ -
Public safety	40,176,618	2,571,719	1,958,734	-	(35,646,165)	-
Sewers	7,835,469	7,653,433	-	-	(182,036)	-
Highways and streets	1,928,259	-	2,019,775	-	91,516	-
Health and sanitation	5,045,875	5,182,477	79,327	-	215,929	-
Community development	1,598,585	113,609	1,468,981	-	(13,995)	-
Street lights, electric, parking and public works	3,587,208	654,128	-	-	(2,933,080)	-
Leisure services, COSA and parks	3,277,143	698,420	300,934	-	(2,277,789)	-
Library contribution	1,320,845	-	-	-	(1,320,845)	-
Interest on long-term debt	577,373	-	-	-	(577,373)	-
Debt issuance costs	94,663	-	-	-	(108,787)	-
Post employment benefits	27,180,392	-	-	-	(27,180,392)	-
Non-allocated amortization	(23,979)	-	-	-	23,979	-
Non-allocated depreciation	60,533	-	-	-	(60,533)	-
Total governmental activities	<u>\$ 107,045,392</u>	<u>\$ 16,988,799</u>	<u>\$ 6,768,342</u>	<u>\$ -</u>	<u>(83,288,251)</u>	<u>-</u>
<b>Component Units:</b>						
UD Township and Sellers Memorial Library	\$ 1,790,522	\$ 79,306	\$ 1,598,995	\$ -		(112,221)
Weed and Seed Center for Family Safety	75,450	-	79,297	-		3,847
Total component unit	<u>\$ 1,865,972</u>	<u>\$ 79,306</u>	<u>\$ 1,678,292</u>	<u>\$ -</u>		<u>(108,374)</u>
<b>General Revenues:</b>						
Property taxes					54,425,418	-
Local enabling taxes					3,014,352	-
Cable television					1,462,434	-
Joint project sewers					1,217,991	-
Grants and contributions not restricted to a specific program					237,645	-
Investment earnings					350,962	2,760
Refunds and reimbursements and miscellaneous revenue					1,002,038	-
Decrease in investment in wastewater treatment plant					(617,478)	-
Rent					224,890	-
Total general revenues					<u>61,318,252</u>	<u>2,760</u>
Change in net position					(21,969,999)	(105,614)
Net position - beginning restated					<u>(268,559,114)</u>	<u>1,493,883</u>
Net position - ending					<u>\$ (290,529,113)</u>	<u>\$ 1,388,269</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, 2017

	General Fund	Sewer Rental Fund	Highway Aid Fund	Debt Service Fund	Sewer Rental Capital Fund	Capital Project Fund	Non-Major Governmental Funds	Totals
<b>ASSETS</b>								
Cash and cash equivalents	\$ 8,042,123	\$ -	\$ -	\$ 361,700	\$ 720,431	\$ 12,288,023	\$ 3,460	\$ 21,415,737
Property tax receivable (net of allowance for uncollectibles)	2,905,933	-	-	167,297	-	-	-	3,073,230
Sewer assessments (net of allowance for uncollectibles)	-	3,375,882	-	-	-	-	-	3,375,882
Other receivables	2,960,471	46,872	-	-	7,183	-	126,112	3,140,638
Prepaid expenditures	1,418,638	-	-	-	-	-	-	1,418,638
Due from other funds	187,327	1,353,741	-	-	-	20,000	-	1,561,068
Due from other municipalities/entities	-	187,055	-	-	26,667	-	-	213,722
Restricted cash	-	23,984	536,231	-	-	-	-	560,215
Total assets	<u>15,514,492</u>	<u>4,987,534</u>	<u>536,231</u>	<u>528,997</u>	<u>754,281</u>	<u>12,308,023</u>	<u>129,572</u>	<u>34,759,130</u>
	\$ 15,514,492	\$ 4,987,534	\$ 536,231	\$ 528,997	\$ 754,281	\$ 12,308,023	\$ 129,572	\$ 34,759,130

DEFERRED OUTFLOWS OF RESOURCES

Total assets and deferred outflows of resources

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable	\$ 507,207	\$ 395,269	\$ 53,960	\$ -	\$ 9,483	\$ -	\$ -	\$ 965,919
Accrued payroll and related costs	987,435	47,416	59,805	-	-	-	-	1,094,656
Due to other governments or entities	21,948	-	-	-	-	-	-	21,948
Due to other funds	1,373,741	-	-	65,755	-	-	121,572	1,561,068
Unearned revenue	4,980	-	-	-	-	-	4,540	9,520
Escrow	316,252	-	-	-	-	-	-	316,252
Total liabilities	<u>3,211,563</u>	<u>442,685</u>	<u>113,765</u>	<u>65,755</u>	<u>9,483</u>	<u>-</u>	<u>126,112</u>	<u>3,959,363</u>

DEFERRED INFLOWS OF RESOURCES

Unavailable taxes, sewer fees and trash fees  
Total liabilities and deferred inflows of resources

	4,087,808	2,212,650	-	153,546	-	-	-	6,454,004
	<u>7,299,371</u>	<u>2,655,335</u>	<u>113,765</u>	<u>219,301</u>	<u>9,483</u>	<u>-</u>	<u>126,112</u>	<u>10,423,367</u>
Fund balances:	1,418,638	-	-	-	-	-	-	1,418,638
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Committed for:	-	-	-	309,696	-	-	-	309,696
Debt service	-	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	12,308,023	-	12,308,023
Assigned to 2018 appropriation	1,944,629	-	-	-	-	-	-	1,944,629
Unassigned	4,851,854	2,332,199	422,466	-	744,798	-	3,460	8,354,777
Total fund balance	<u>8,215,121</u>	<u>2,332,199</u>	<u>422,466</u>	<u>309,696</u>	<u>744,798</u>	<u>12,308,023</u>	<u>3,460</u>	<u>24,335,763</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 15,514,492</u>	<u>\$ 4,987,534</u>	<u>\$ 536,231</u>	<u>\$ 528,997</u>	<u>\$ 754,281</u>	<u>\$ 12,308,023</u>	<u>\$ 129,572</u>	<u>\$ 34,759,130</u>

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, 2017

<b>Total fund balances - governmental funds</b>		<b>\$ 24,335,763</b>
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	\$ 4,637,840	
Construction in progress	2,054,082	
Infrastructure assets	25,109,452	
Other capital assets	36,484,321	
Accumulated depreciation	<u>(41,415,701)</u>	
Total capital assets		26,869,994
Investment in wastewater treatment plant		5,450,128
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.		6,454,004
Bond discounts and premiums are capitalized and amortized in the government-wide statements (shown as net)		(454,308)
Pension expense deferrals and OPEB deferrals are capitalized and amortized in the government-wide statements (shown as net)		11,705,427
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 and net pension obligation		<u>(364,890,121)</u>
Net position of governmental activities		<u>\$ (290,529,113)</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, 2017

	General Fund	Sewer Rental Fund	Highway Aid Fund	Debt Service Fund	Sewer Rental Capital Fund	Capital Project Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Taxes and assessments								
Property	\$ 51,931,203	\$ -	\$ -	\$ 2,571,029	\$ -	\$ -	\$ -	\$ 54,502,232
Sewer rentals/penalties and interest	-	7,670,150	-	-	-	-	-	7,670,150
Local enabling act taxes	3,014,352	-	-	-	-	-	-	3,014,352
Licenses-permits	3,366,727	-	-	-	-	-	-	3,366,727
Fines and forfeits	627,792	-	-	-	-	-	-	627,792
Rent	224,890	-	-	-	-	-	-	224,890
Investment earnings	219,043	129	841	-	4,777	126,172	-	350,962
Public utility realty tax	56,753	-	-	-	-	-	-	56,753
Grants and entitlements	1,534,170	-	1,930,607	-	-	-	284,196	3,748,973
Delaware County Office of Services for the Aging (COSA)	300,934	-	-	-	-	-	300,934	300,934
Departmental earnings	6,784,366	-	-	-	-	-	-	6,784,366
Joint projects other municipalities	-	1,217,991	-	-	-	-	-	1,217,991
Pennsylvania contribution for pension and ad hoc	2,538,246	-	-	-	-	-	-	2,538,246
Volunteer firemen allocation	235,331	-	-	-	-	-	-	235,331
Other revenue	918,495	46,872	-	-	36,672	-	-	1,002,039
Sewer fund reimbursement	943,815	-	-	-	-	-	-	943,815
<b>Total revenues</b>	<b>72,795,917</b>	<b>9,935,142</b>	<b>1,931,448</b>	<b>2,571,029</b>	<b>41,449</b>	<b>126,172</b>	<b>284,196</b>	<b>86,685,353</b>
<b>EXPENDITURES</b>								
Current:								
General government	14,333,667	-	-	-	-	106,853	532	14,441,072
Public safety/including police and fire pension contribution	42,322,380	-	-	-	-	243,344	80,498	42,656,222
Sewer	-	8,330,451	-	-	343,165	-	-	8,673,616
Highways and streets	89,168	-	1,535,468	-	-	251,712	51,911	1,928,259
Health and sanitation	4,928,734	-	-	-	-	34,658	-	4,963,392
Community development	1,454,798	-	-	-	-	-	141,787	1,596,585
Street lights, electric, parking and public works	3,379,838	-	-	-	-	20,545	-	3,400,383
Leisure services, COSA and parks	3,132,579	-	-	-	-	39,660	-	3,172,239
Volunteer fire allocation	235,331	-	-	-	-	-	-	235,331
Municipal pension contribution	962,880	-	-	-	-	-	-	962,880
Library contribution	1,320,845	-	-	-	-	-	-	1,320,845
Debt service:								
Principal	-	-	-	2,960,000	-	-	-	2,960,000
Interest	-	-	-	158,348	-	419,025	-	577,373
Insurance costs	-	-	-	-	-	94,863	-	94,863
Capital outlay:								
Highways and streets and sewers	56,894	-	-	-	-	2,512,078	-	2,568,972
Public safety	141,508	-	-	-	-	822,836	-	964,444
Departmental	32,359	-	-	-	-	109,297	-	141,656
<b>Total expenditures</b>	<b>72,890,701</b>	<b>9,330,451</b>	<b>1,535,468</b>	<b>3,118,348</b>	<b>343,165</b>	<b>4,654,771</b>	<b>284,728</b>	<b>90,657,632</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>405,216</b>	<b>604,691</b>	<b>395,980</b>	<b>(547,319)</b>	<b>(301,716)</b>	<b>(4,528,599)</b>	<b>(532)</b>	<b>(3,972,279)</b>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS</b>								
Bond proceeds	-	-	-	-	-	7,645,000	-	7,645,000
Bond issuance discount	-	-	-	-	-	115,050	-	115,050
Operating transfer in	-	-	-	481,606	-	-	-	481,606
Operating transfer out	-	(481,606)	-	-	-	-	-	(481,606)
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	<b>405,216</b>	<b>123,085</b>	<b>395,980</b>	<b>(65,713)</b>	<b>(301,716)</b>	<b>3,231,451</b>	<b>(532)</b>	<b>3,787,771</b>
<b>FUND BALANCE - BEGINNING</b>	<b>7,809,805</b>	<b>2,209,114</b>	<b>26,486</b>	<b>375,409</b>	<b>1,046,514</b>	<b>9,076,572</b>	<b>3,992</b>	<b>20,547,992</b>
<b>FUND BALANCE - ENDING</b>	<b>\$ 8,215,121</b>	<b>\$ 2,332,199</b>	<b>\$ 422,466</b>	<b>\$ 309,696</b>	<b>\$ 744,798</b>	<b>\$ 12,308,023</b>	<b>\$ 3,460</b>	<b>\$ 24,335,763</b>

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, 2017

Net change in fund balances - total governmental funds \$ 3,787,771

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	\$ 3,675,072	
Depreciation expense	(1,666,233)	
Amortization expense	<u>23,979</u>	2,032,818

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. Proceeds of long term debt and related discounts and premiums are reported as other financing sources in the governmental statements, but increases liabilities in the government wide statements. In the current year, these amounts are:

Principal repayment	2,960,000
Bond proceeds	(7,645,000)
Bond issuance discount/premium	(115,050)

Long-term compensated absences and other post employment benefits are reported in the statement of net assets; changes in the liability and deferred outflows are reported as an expense in the Statement of Activities-less pay as you go (22,324,194)

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. (617,478)

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 (48,866)

Changes in net position of governmental activities \$ (21,969,999)



**TOWNSHIP OF UPPER DARBY  
STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2017**

	<b>POLICE PENSION PLAN</b>	<b>MUNICIPAL EMPLOYEES PENSION PLAN</b>	<b>FIREFIGHTER'S PENSION PLAN</b>	<b>SELF INSURANCE TRUST FUND</b>	<b>TOTAL</b>
<b>Assets</b>					
Cash and cash equivalents	\$ 1,732,924	\$ 1,308,554	\$ 762,107	\$ 289,686	\$ 4,093,271
Investments (at market value)	77,275,519	65,592,842	29,687,681	940,202	173,496,244
Interest receivable	-	92,801	-	-	92,801
Prepaid expense	11,019	2,573	3,182	-	16,774
Refund receivable	-	-	191,293	-	191,293
Total assets	<u>79,019,462</u>	<u>66,996,770</u>	<u>30,644,263</u>	<u>1,229,888</u>	<u>177,890,383</u>
<b>Liabilities</b>					
Accounts payable	74,732	41,851	18,351	-	134,934
Escrow	-	-	-	1,229,888	1,229,888
Total liabilities	<u>74,732</u>	<u>41,851</u>	<u>18,351</u>	<u>1,229,888</u>	<u>1,364,822</u>
<b>Net position</b>					
Restricted	<u>\$ 78,944,730</u>	<u>\$ 66,954,919</u>	<u>\$ 30,625,912</u>	<u>\$ -</u>	<u>\$ 176,525,561</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, 2017

	POLICE PENSION PLAN	MUNICIPAL EMPLOYEES PENSION PLAN	FIREFIGHTER'S PENSION PLAN	SELF INSURANCE TRUST FUND	TOTAL
<b>Additions:</b>					
Contributions:					
State subsidies	\$ 1,202,121	\$ 940,591	\$ 495,531	\$ -	\$ 2,638,243
Employee contributions	754,437	728,513	365,555	-	1,848,505
Township contributions	3,509,682	21,989	1,091,146	-	4,622,817
Refund	-	-	191,293	-	191,293
Total contributions	5,466,240	1,691,093	2,143,525	-	9,300,858
Investment earnings:					
Net appreciation in fair value of investments	9,692,601	7,970,036	3,185,197	-	20,847,834
Investment earnings	1,627,835	1,404,204	685,498	-	3,717,537
Less: investment expense	(253,035)	(338,506)	(103,274)	-	(694,815)
Total investment earnings	11,067,401	9,035,734	3,767,421	-	23,870,556
Total additions	16,533,641	10,726,827	5,910,946	-	33,171,414
<b>Deductions:</b>					
Pension benefits	5,056,809	3,770,947	1,144,224	-	9,971,980
Other services and charges	67,421	60,639	28,185	-	156,245
Total deductions	5,124,230	3,831,586	1,172,409	-	10,128,225
Change in net position	11,409,411	6,895,241	4,738,537	-	23,043,189
Net position - beginning of the year	67,535,319	60,059,678	25,887,375	-	153,482,372
Net position - end of the year	\$ 78,944,730	\$ 66,954,919	\$ 30,625,912	\$ -	\$ 176,525,561

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 FINANCIAL POSITION**  
**DECEMBER 31, 2017**

<b>Assets</b>	
Cash and cash equivalents	\$ 241,059
Investments	33,189
Accounts receivable	1,713
Prepaid insurance	21,055
Prepaid expenses	10,870
Capital assets (net of accumulated depreciation)	
Land and non-depreciable historical site	464,384
Buildings and improvements	265,316
Furniture and equipment	34,524
Library books and materials	428,272
Total capital assets	1,192,496
Total assets	\$ 1,500,382
 <b>Liabilities</b>	
Accounts payable and accrued liabilities	\$ 33,544
Accrued payroll and related expenses	47,064
Accrued compensated absences	56,061
Total liabilities	136,669
 <b>Net Assets</b>	
Unrestricted	
Undesignated	1,330,524
Designated	33,189
Total net assets	1,363,713
Total liabilities and net assets	\$ 1,500,382

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, 2017

UNRESTRICTED NET ASSETS

Revenues, gains and other support:

Upper Darby Township support:

Contribution	\$ 1,320,845
Sellers Trust Fund	15,177
Total Upper Darby Township support	<u>1,336,022</u>

Revenues from operations

Fines	19,642
Copier / computer / miscellaneous	57,007
Video rentals	2,656
Total revenues from operations	<u>79,306</u>

Other revenues

Investment income	
Dividend income	262
Interest income	359
Unrealized gain on investments	2,115
Total other revenues	<u>2,736</u>

Grants and donations

Commonwealth of Pennsylvania	243,020
County of Delaware Aid	8,513
Grants	9,076
Fundraising / endowments / gifts	2,364
In kind donation of a capital asset	-
Total grants and donations	<u>262,973</u>

Total revenues, gains and other support

1,681,036

Expenses

Program

Personnel	1,339,880
Library services	51,155

Support

Facilities and equipment	143,467
Other supporting services	91,017
Pension	36,787
Depreciation	128,217
Total operating expenses	<u>1,790,522</u>

Change in net assets

(109,486)

Net assets - beginning of year

1,473,199

Net assets - end of year

\$ 1,363,713

COMPONENT UNIT

UPPER DARBY TOWNSHIP AND SELLERS MEMORIAL FREE PUBLIC LIBRARY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers and users	\$ 83,306
Receipts from intergovernmental support	1,572,378
Donation received from intergovernmental support	15,177
Grant income	6,100
Miscellaneous cash income	2,364
Payments to suppliers	(262,216)
Payments to employees	(1,372,641)
Net cash provided by operating activities	<u>44,468</u>

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

Purchases of capital assets	<u>(107,892)</u>
Net cash used by capital and related financing activities	<u>(107,892)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest and dividends income	<u>621</u>
Net cash provided by investing activities	<u>621</u>

Net decrease in cash and cash equivalents	(62,803)
Cash and cash equivalents January 1,	<u>303,862</u>
Cash and cash equivalents December 31,	<u>\$ 241,059</u>

**Reconciliation of changes in net assets to net cash provided by operating activities:**

Change in net assets - non-inclusive of investment income	\$ (110,107)
Adjustments to reconcile changes in net assets to net cash provided by operating activities:	
Depreciation expense	128,217
Unrealized gain on investments	(2,115)
(Increase) decrease in accounts receivable	(552)
(Increase) decrease in prepaid items	44,670
Increase (decrease) in accounts payable and accrued expenses	(17,475)
Increase (decrease) in accrued payroll and related expenses	4,365
Increase (decrease) in accrued compensated absences	441
Increase (decrease) in deferred revenue	(2,976)
Total adjustments	<u>154,575</u>
Net cash provided by operating activities	<u>\$ 44,468</u>

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

COMPONENT UNIT

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

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2017

<b>Assets</b>	
Cash	\$ 16,246
Due from Upper Darby Township	8,310
Total assets	<u>\$ 24,556</u>
<b>Liabilities</b>	
Accounts payable	\$ -
Deferred revenue	-
Total liabilities	<u>-</u>
<b>Net assets</b>	
Unrestricted	<u>24,556</u>
Total liabilities and net assets	<u>\$ 24,556</u>

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

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

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

**Unrestricted revenues, gains and other support**

Revenues and other additions

Contributions	\$ -
Grant income	79,297
Interest income	<u>25</u>
Total unrestricted revenues, gains and other support	<u>79,322</u>

**Expenses**

Program expenses	<u>75,450</u>
Total expenses	<u>75,450</u>

Change in unrestricted net assets 3,872

Change in net assets 3,872

Net assets - beginning of the year 20,684  
Net assets - end of the year \$ 24,556

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

COMPONENT UNIT

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2017

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 3,872
Adjustments to reconcile change in net assets to net cash used by operating activities:	
(Increase) decrease in:	
Accounts receivable	-
Increase (decrease) in:	
Accounts payable and accrued expense	(3,500)
Deferred revenue	(6,000)
Net cash used by operating activities	<u>(5,628)</u>

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

-

**CASH FLOWS FROM INVESTING ACTIVITIES**

-

Net decrease in cash and cash equivalents	(5,628)
Cash and cash equivalents January 1,	21,874
Cash and cash equivalents December 31,	<u>\$ 16,246</u>

**Supplemental Disclosure**

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, 2017**

Upper Darby Township operates under a Home Rule Charter with an elective governing body inclusive of an eleven person Council and an elected Mayor. 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.

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. The Township and its plans early implemented Government Accounting Standards Board (GASB) Statement 82, an amendment of GASB Statements 67, 68 and 73. Prior to the issuance of this Statement, Statements 67 and 68 required presentation of covered-employee payroll, which is the payroll of employees that are provided with pensions through the pension plan, and ratios that use that measure, in schedules of required supplementary information. This Statement amends Statements 67 and 68 to instead require the presentation of covered payroll, defined as the payroll on which contributions to a pension plan are based, and ratios that use that measure.

The Township this period also early implemented GASB Statement 75, *Accounting and Financial reporting for Postemployment Benefits other than Pensions*. This statement replaces GASB 45 and establishes standards for recognizing and measuring liabilities, deferred outflows and inflows of resources and expense/expenditures.

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 Upper Darby Weed and Seed, Inc. 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.

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

Following is a summary of the Township's 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 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.

THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**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), PECO Green Region Fund, Community Development Grants, and Upper Darby Football Bowl, (shown in these financial statements as Other Governmental Funds).

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 Funds 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.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

**Proprietary Funds/Component Unit**

The Township of Upper Darby has no Proprietary Funds. The Upper Darby Township and Sellers Memorial Free Public Library and Upper Darby Township Weed and Seed, Inc., Center for Family Safety 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 one Trust Fund: A 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, Debt Service Fund, Sewer Rental Capital Projects and Capital Projects.

Nonmajor Funds include the following: PECO Green Region, Community Development Grants, and Upper Darby Football Bowl.

**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 position, 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

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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 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.

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, \$40,437 is shown as a current liability in the General Fund, \$5,287 as a current liability in the Sewer Rental Fund, and \$4,958 as a current liability in the Highway Aid Fund. As of December 31, 2017, the long-term liability for accrued vacation leave and accrued compensation was \$ 4,611,397. Accrued sick leave is included within the total OPEB liability at year end. (see Note 4).

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.

**THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2017**

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

**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 within the Sewer Rental Fund.

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.

The following presents those areas which incurred an excess of expenditures over appropriations for the year ended December 31, 2017 as follows:

	Expenditures over Legally Adopted Budget
General Fund	
Public Works	\$ 46,999

The General Fund had sufficient revenue and fund balance to allow for the excess expenditures in this area.

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.

**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.

THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**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 11). This is non-depreciable property due to its historical classification.

Prior to January 1, 2003, governmental funds' infrastructure was 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.

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

THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

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

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."

*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.

THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

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

*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

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.



THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**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 and are shown on these statements accordingly.

Township investments consist of certificates of deposit with original maturities in excess of three months. Pursuant to the Fair Value measurement, valuation inputs are assumptions that market participants use in pricing an asset. Fair Value measurement is presented within three levels according to the following hierarchy:

- Level 1—representing quoted prices in active markets.
- Level 2—representing other than quoted prices where the value can be derived from active market data such as quoted prices for similar assets or liabilities in active markets; or quoted prices for similar assets or liabilities in inactive markets; or other than quoted prices that are active in other areas.
- Level 3—representing unobservable inputs for an asset or liability; governments may use their own data to develop unobservable inputs if there is no information available without undue cost and effort.

The Township's investments are all considered to be Level 1 in the Fair Value hierarchy and consist of the following:

Self-insurance fiduciary fund	\$ 940,202
Police pension fund	\$ 77,275,519
Municipal employees pension plan	\$ 65,592,842
Firefighters's pension plan	\$ 29,687,681

**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, 2017, the aggregate bank balance of bank deposits included in cash and cash equivalents of the primary government (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 \$21,975,952 (\$560,215 as restricted cash and cash equivalents) of which \$1,061,604 is insured by the federal depository insurance (FDIC). Therefore, included in bank deposits is the remaining \$20,914,348 collateralized as noted above pursuant to Act 72. The bank deposits for the component units totaled \$257,305 of which \$250,000 is covered by the FDIC.

THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2017

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

**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.

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 \$7,617,455 in the General Fund; \$31,424 in the Sewer Rental Fund; \$560,017 in the Special Sewer Rental Fund; and \$12,151,551 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, 2017 the carrying amount and the balance of the Plan's deposits in cash and cash alternatives totaled \$1,732,924 and was held with Ameritrade of which \$250,000 was covered by FDIC insurance.

*Investments*

Investments are reported at fair market value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at measurement date. 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 at current exchange rates. 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. Plan investments at year end are as follows:

I Shares Tips Bond ETF	\$ 2,116,298
Vanguard Mid Cap Index Fund	4,667,391
Vanguard International Bond Index	2,093,191
Vanguard Small Cap Index Fund	4,670,332
Vanguard Total Bond Market Index Fund	10,501,404
Vanguard Intermediate Term Corp Bond	6,272,854
Vanguard International Equity Index Fund	19,522,947
Vanguard US Large Cap Growth Index Fund	13,735,598
Vanguard US Large Cap Value Index Fund	13,695,504
	<u>\$ 77,275,519</u>

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

Investments in the following funds exceeded more than 5% of the plan net position at December 31, 2017:

Vanguard Mid Cap Index Fund	\$ 4,667,391
Vanguard Small Cap Index Fund	4,670,332
Vanguard Total Bond Market Index Fund	10,501,404
Vanguard Intermediate Term Corp Bond	6,272,854
Vanguard International Equity Index Fund	19,522,947
Vanguard US Large Cap Growth Index Fund	13,735,598
Vanguard US Large Cap Value Index Fund	13,695,504
	<u>\$73,066,030</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, 2017. 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.

The Plan's investment policy in regard to the allocation of invested assets is established and may be amended by the Plan's Board by a majority vote of its members. The policy of the Board is to pursue an investment strategy that reduces risk through prudent diversification among its asset classes given the Plan's liability structure. Following is the Board's adopted asset allocation policy as of December 31, 2017:

<u>Asset Class</u>	<u>Target Allocation</u>
Equities	70.00%
Fixed Income	27.00%
Cash	3%

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns by asset class (expected returns net of investment expense and inflation) weighting these expected rates of return by target asset allocation and adding estimated inflation.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

The long-term rate of return on assets is expected to be approximately 7.75 percent per year. The annual rate of return on the pension plan investments, net of investment expense, was actually 16.65%. The net blended rate representing the real rate of return, inclusive of inflation and net of plan expenses was 4.05%.

The annual money-weighted rate of return on pension plan investments, expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Asset Class	Long-Term Expected Real Rate of Return
Equities	5.78%
Fixed Income	1.35%
Cash	-0.32%
Total Gross Blended Return	4.40%
Less: Plan Expenses	0.35%
Total Net Blended Return	4.05%

Municipal Employee 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, 2017, the carrying amount and the balance of the Plan's deposits in cash and cash alternatives totaled \$1,308,554 and were held with PNC Investment of which \$250,000 was covered by FDIC insurance.

*Investments*

In accordance with Government Accounting Standards Board (GASB) No. 67, investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability between market participants at measurement date. 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, 2017**

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

At December 31, 2017, the Plan did not hold any one investment in excess of 5% of the Plan's net position (\$3,002,995):

Corporate bonds	\$ 3,960,822
Mutual fixed	15,158,737
Equities	41,175,704
US Treasury and asset backed mortgages	5,199,839
Other Fixed	97,740
	<u>\$ 65,592,842</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 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.

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.94%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The Plan's investment policy in regard to the allocation of invested assets is established and may be amended by the Plan's Board by a majority vote of its members. The policy of the Board is to pursue an investment strategy that reduces risk through prudent diversification among its asset classes given the Plan's liability structure. Following is the Board's adopted asset allocation policy as of December 31, 2017:

Asset Class	Target Allocation
Domestic Equity	40-60%
International Equity	Within equity
Fixed Income	40-60%
Cash	0-20%
Real estate	0%

THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2017

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

The long-term rate of return on assets is expected to be as follows:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	5.4-6.4%
International Equity	5.5-6.5%
Fixed Income	1.3-3.3%
Cash	0-1.0%
Real estate	4.5-5.5%

Following is the fair value of investments at December 31, 2017:

	MOODY'S RATING	FAIR VALUE	DURATION
Investments			
Mutual Funds	n/a	\$ 15,158,737	n/a
Equities	n/a	41,175,704	n/a
Fixed Income including treasury bonds and asset backed securities	A1	326,378	2 - 8
	A2	308,498	2 - 9
	A3	665,040	1 - 8
	AA1	104,839	5 - 6
	AA2	145,326	2 - 6
	AA3	75,121	2 - 3
	AAA	4,767,717	2 - 10
	BAA1	988,411	1 - 10
	BAA2	613,770	1 - 9
	BAA3	511,401	2 - 10
	Not rated	751,900	3 - 27
		<u>\$ 65,592,842</u>	

Firefighters' 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, 2017, the carrying amount and the balance of the Plan's deposits in cash and cash equivalents totaled \$762,107, of which \$329,982 was held with Ameritrade and \$432,125 was held with Schwab, of which \$500,000 was covered by FDIC insurance.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

*Investments*

In accordance with Government Accounting Standards Board (GASB) No.67, investments are reported at 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. Investment fees charged by Wealth Management and INR are discretely presented herein.

INR, through Ameritrade, at December 31, 2017, held plan assets in investments as follows:

Investments at fair value:

Vanguard Mid Cap Index Fund*	\$	1,057,457
Ishares TIPS Bond Fund		364,600
Vanguard Small Cap Index Fund*		1,058,100
Vanguard International Bond Index Fund		360,636
Vanguard Total Bond Market Index Fund *		1,809,386
Vanguard US Large Cap Growth Index Fund *		3,112,022
Vanguard US Large Cap Value Index Fund *		3,102,843
Vanguard Intermediate Term Corp Bond Fund *		1,080,752
Vanguard International Equity Index Fund *		4,423,182
	\$	<u>16,368,978</u>

Wealth Management Services held plan assets in investments at December 31, 2017 as follows:

Bonds	\$	3,054,964
Scwab flexible strategies		4,377,104
Structured		952,152
Common stocks		4,879,694
Governmentt obligations		54,789
	\$	<u>13,318,703</u>

(\* - Indicates an investment of five percent or more of the plan net position at December 31, 2017.)

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, 2017. 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 courterparty, 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

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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 Plan's investment policy in regard to the allocation of invested assets is established and may be amended by the Plan's Board by a majority vote of its members. The policy of the Board is to pursue an investment strategy that reduces risk through prudent diversification among its asset classes given the Plan's liability structure. Following is the Board's adopted asset allocation policy as of December 31, 2017:

Asset Class	Target Allocation
Domestic Equity	65.00%
Fixed Income	32.50%
Cash Equivalents	2.50%

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns by asset class (expected returns net of investment expense and inflation) weighting these expected rates of return by target asset allocation and adding estimated inflation.

The long-term rate of return on assets is expected to result in a nominal return of 6.14 percent per year. The net blended rate representing the real rate of return, inclusive of inflation and net of plan expenses, was 3.89%. The assumed rates of return on plan investments (net of investment expenses) compounded annually for actuarial assumptions are 7.25%.

Asset Class	Long-Term Expected Real Rate of Return
Equity	5.53%
Fixed Income	1.35%
Cash	-34.00%
Total Gross Blended Return	4.19%
Less: Plan Expenses	0.30%
Total Net Blended Return	3.89%

For the year ended December 31, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.1%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.



**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**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, 2017. A 2% discount was allowed if payment was made by March 31, 2017. 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 \$20.37 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.

An allowance for uncollectible accounts has been established at 30 percent of the balance of taxes owed in the total funds (General Fund and Sinking Fund) in the amount of \$1,317,098 as of December 31, 2017. 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.

Current year tax receivable (see following statement of real estate taxes - 2017 duplicate)	\$ 2,510,138
Prior year tax receivable (see following statement of real estate taxes-prior years)	<u>1,880,190</u>
	4,390,328
Less: Allowance for uncollectible accounts	<u>(1,317,098)</u>
	<u><u>\$ 3,073,230</u></u>

Following are schedules detailing property taxes and their appropriation to the various funds for the year ended December 31, 2017, 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 - 2017 DUPLICATE

YEAR ENDED DECEMBER 31, 2017

	<u>ASSESSED VALUATION</u>	<u>TOTAL TAX LEVY</u>	<u>GENERAL FUND</u>	<u>SINKING FUND</u>
Tax rate in mills		20.37	19.42	0.95
Tax duplicate	\$ 2,692,194,335	\$ 54,701,374	\$ 52,150,254	\$ 2,551,120
Add: interim taxes prorated	<u>3,884,726</u>	<u>41,533</u>	<u>39,596</u>	<u>.1,937</u>
Net tax duplicate	<u>\$ 2,696,079,061</u>	<u>54,742,907</u>	<u>52,189,850</u>	<u>2,553,057</u>
Deduct: taxes collected face		51,323,909	48,930,212	2,393,697
Discounts allowed		<u>908,860</u>	<u>866,473</u>	<u>42,387</u>
Total deductions		<u>52,232,769</u>	<u>49,796,685</u>	<u>2,436,084</u>
<b>Taxes receivable for year ended December 31, 2017</b>		<u>\$ 2,510,138</u>	<u>\$ 2,393,165</u>	<u>\$ 116,973</u>
Penalty assessed at 10%		<u>\$ 251,014</u>	<u>\$ 202,674</u>	<u>\$ 48,340</u>

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF REAL ESTATE TAXES - PRIOR YEARS

YEAR ENDED DECEMBER 31, 2017

	TOTAL	GENERAL FUND	SINKING FUND
Prior year 2016 duplicate taxes	\$ 2,534,708	\$ 2,413,828	\$ 120,880
Add: Penalties liened and collected to February 28, 2017 (net)	253,471	241,383	12,088
Deduct: Collections including penalties	<u>(478,718)</u>	<u>(455,888)</u>	<u>(22,830)</u>
Taxes returned to County Treasurer (\$2,099,510 plus 10% penalty of \$209,951)	<u>2,309,461</u>	<u>2,199,323</u>	<u>110,138</u>
Prior years returned and liened balance January 1, 2017	1,996,691	1,867,105	129,586
Add: 2016 taxes returned to County Treasurer	2,309,461	2,199,323	110,138
Add: Interest	<u>188,956</u>	<u>180,151</u>	<u>8,805</u>
Sub-total	4,495,108	4,246,579	248,529
Deduct: Collections	<u>(2,614,918)</u>	<u>(2,488,413)</u>	<u>(126,505)</u>
<b>Prior years taxes receivable - December 31, 2017</b>	<u><u>\$ 1,880,190</u></u>	<u><u>\$ 1,758,166</u></u>	<u><u>\$ 122,024</u></u>

THE TOWNSHIP OF UPPER DARBY

TEN YEAR SUMMARY OF REAL ESTATE TAXES

YEARS 2007 TO 2016 INCLUSIVE

YEAR	TAX RATE IN MILLS	NET ASSESSED VALUATION	TAX LEVY	COLLECTIONS	RETURNED TO COUNTY TREASURER	PERCENTAGE OF CURRENT COLLECTIONS TO TAX LEVY
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%
2012	16.79	\$ 2,679,747,596	\$ 44,992,932	\$ 43,217,570	\$ 1,775,362	96.054%
2013	17.94	\$ 2,677,717,414	\$ 48,004,974	\$ 45,843,640	\$ 2,161,334	95.498%
2014	18.93	\$ 2,949,305,129	\$ 50,744,893	\$ 48,722,196	\$ 2,022,697	96.014%
2015	19.92	\$ 2,668,812,865	\$ 53,160,876	\$ 51,019,657	\$ 2,141,219	95.972%
2016	19.92	\$ 2,665,901,853	\$ 53,103,533	\$ 51,004,023	\$ 2,099,510	96.046%

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4. LONG-TERM DEBT**

Upper Darby Township currently has six bond issues outstanding, maturing between 2017 and 2037, for a total remaining indebtedness of \$20,387,000. Each bond issue is maintained and repaid as a separate entity.

Funds to repay bonded indebtedness (aside from that relative to the Sewer related remaining indebtedness) 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 (.91 to 3.98%%) of interest through 2017. 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 2.332%.

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% with a maturity date of October 2018.

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% with a maturity date of July 2018.

An additional general obligation bond was issued in 2016 in the amount of \$7,515,000. The bond issuance carries an interest rate of 4 percent with a maturity date of May 2037.

In 2017, the Township issued General Obligation Bonds in the amount of \$7,645,000, carrying a variable interest rate ranging from 2 to 4%, maturing in May of 2037.

Following is an inclusive schedule of long term liabilities at December 31, 2017, statement of bonded indebtedness for the year ended December 31, 2017, and a schedule of bond maturities for the years 2018 to 2037.

THE TOWNSHIP OF UPPER DARBY  
 SCHEDULE OF BOND AND LONG TERM NOTE MATURITIES  
 FOR THE YEARS 2018 TO 2037

2018		2019		2020		2021	
SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT
08	\$ 567,000	9	\$ 1,691,000	9	\$ 1,759,000	16	\$ 925,000
09	5,000	16	5,000	16	5,000	17	955,000
10	720,000	17	310,000	17	295,000		\$ 1,880,000
12	485,000		\$ 2,006,000		\$ 2,059,000		\$ 522,000
16	5,000		\$ 616,801		\$ 570,192		
17	5,000						
	\$ 1,787,000						
	\$ 674,266						

2022		2023		2024		2025	
SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT
16	\$ 300,000	16	\$ 310,000	16	\$ 325,000	16	\$ 340,000
17	300,000	17	310,000	17	315,000	17	325,000
	\$ 600,000		\$ 620,000		\$ 640,000		\$ 665,000
	\$ 257,000		\$ 244,800		\$ 232,100		\$ 218,800
	227,950		220,300		210,925		199,700
	484,950		465,100		443,025		418,500

2026		2027		2028		2029	
SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT
16	\$ 350,000	16	\$ 365,000	16	\$ 380,000	16	\$ 395,000
17	345,000	17	360,000	17	370,000	17	390,000
	\$ 695,000		\$ 725,000		\$ 750,000		\$ 785,000
	\$ 205,000		\$ 190,700		\$ 175,800		\$ 160,300
	186,300		172,200		157,600		142,400
	391,300		362,900		333,400		302,700

2030		2031		2032		2033	
SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT
16	\$ 410,000	16	\$ 430,000	16	\$ 445,000	16	\$ 465,000
17	405,000	17	420,000	17	440,000	17	455,000
	\$ 815,000		\$ 850,000		\$ 885,000		\$ 920,000
	\$ 144,200		\$ 127,400		\$ 109,900		\$ 91,700
	126,500		110,000		122,800		74,900
	270,700		237,400		232,700		166,600

2034		2035		2036		2037	
SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT	SER #	AMOUNT
16	\$ 485,000	16	\$ 505,000	16	\$ 525,000	16	\$ 545,000
17	470,000	17	375,000	17	390,000	17	410,000
	\$ 955,000		\$ 880,000		\$ 915,000		\$ 955,000
	\$ 72,700		\$ 52,900		\$ 32,300		\$ 10,900
	56,400		39,500		24,200		8,200
	129,100		92,400		56,500		19,100

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 4. LONG-TERM DEBT (continued)**

**STATEMENT OF BONDED INDEBTEDNESS  
YEAR ENDED DECEMBER 31, 2017**

	BOND/NOTE NUMBER	DATE OF ISSUE	FINAL MATURITY	INTEREST RATE	ORIGINAL AMOUNT ISSUED	OUTSTANDING JANUARY 1, 2017	(PAID)/ INCREASE DURING YEAR	OUTSTANDING DECEMBER 31, 2017
Bonded Debt								
Created by Council								
General Obligation Note	06	05/25/06	5/25/2017	.91-3.98%	\$ 7,500,000	\$ 1,281,000	\$ (1,281,000)	\$ -
General Obligation Note	08	12/21/08	5/25/2018	2.450%	3,495,000	1,061,000	(494,000)	567,000
General Obligation Note	09	10/25/11	12/25/2020	2.332%	3,485,000	3,460,000	(5,000)	3,455,000
General Obligation Bonds	10	11/08/10	10/1/2018	.52-2.50	5,235,000	1,425,000	(705,000)	720,000
General Obligation Bonds	12	05/15/12	7/15/2018	.30-1.50%	3,035,000	960,000	(475,000)	485,000
General Obligation Bonds	16	11/21/16	5/1/2037	4.000%	7,515,000	7,515,000	-	7,515,000
General Obligation Bonds	17	03/28/17	5/1/2037	2.000%-4.000%	7,645,000	-	7,645,000	7,645,000
Total by Commissioners					\$ 37,910,000	15,702,000	4,685,000	20,387,000
TOTAL INDEBTEDNESS						\$ 15,702,000	\$ 4,685,000	\$ 20,387,000

	Principal Outstanding 12/31/2017
General obligation note series of 2008	\$ 567,000
General obligation bond series of 2009	3,455,000
General obligation note series of 2010	720,000
General obligation note series of 2012	485,000
General obligation note series of 2016	7,515,000
General obligation note series of 2017	7,645,000
	<u>20,387,000</u>
Other post-employment benefits (inclusive of sick time)	309,706,858
Net pension liability	34,005,594
Accrued vacation time	790,669
Total long term debt	<u>\$ 364,890,121</u>

	Principal	Interest	Total
2018	\$ 1,787,000	\$ 674,266	\$ 2,461,266
2019	2,006,000	616,801	2,622,801
2020	2,059,000	570,192	2,629,192
2021	1,880,000	522,000	2,402,000
2022	600,000	484,950	1,084,950
Thereafter	12,055,000	3,921,425	15,976,425
Total	<u>\$ 20,387,000</u>	<u>\$ 6,789,634</u>	<u>\$ 27,176,634</u>

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

Long-term debt funds had been designated for use in funding capital acquisitions. Funds from the bond issuances, related interest and other operating transfers designated for capital projects are still available in the amount of \$12,308,023.

**NOTE 6. ACCOUNTS RECEIVABLE**

The following is a schedule of the township accounts receivable as of December 31, 2017, inclusive of the property taxes as noted above in Note 3.

	General Fund	Sinking Fund	Sewer Fund	Sewer Rental Capital fund	Non Major Funds	Total
Real estate taxes	\$ 4,151,332	\$ 238,998	\$ -	\$ -	\$ -	\$ 4,390,330
Sewer rental fees	-	-	4,822,689	-	-	4,822,689
Ash and rubbish fees	3,820,315	-	-	-	-	3,820,315
County receivable	265,669	-	-	-	-	265,669
Grant receivables:						
County aid	89,168	-	-	-	-	89,168
HUD	172,567	-	-	-	-	172,567
Home	90,603	-	-	-	-	90,603
COSA	48,656	-	-	-	-	48,656
Community development	-	-	-	-	126,112	126,112
Cable franchise	355,440	-	-	-	-	355,440
Local service tax	97,792	-	-	-	-	97,792
Insurance reimbursement	213,384	-	46,872	-	-	260,256
Liquor license	27,750	-	-	-	-	27,750
Other	71,316	-	-	7,183	-	78,499
Less: allowance for doubtful accounts	(3,537,588)	(71,701)	(1,446,807)	-	-	(5,056,096)
	<u>\$ 5,866,404</u>	<u>\$ 167,297</u>	<u>\$ 3,422,754</u>	<u>\$ 7,183</u>	<u>\$ 126,112</u>	<u>\$ 9,589,750</u>

**ASH AND RUBBISH**

Ash and rubbish fees receivable for the years 1971 to 2017 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.

**SEWER RENTAL**

Receivables from sewer rental fees include \$1,336,025 outstanding from 2017 and \$3,486,664 outstanding from 2016 and prior years for a total of \$4,822,689. An allowance for uncollectible accounts has been established at 30 percent of the balance of fees owed as of December 31, 2017, in the amount of \$1,446,807. 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



**THE TOWNSHIP OF UPPER DARBY  
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**NOTE 6. ACCOUNTS RECEIVABLE (continued)**

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 \$187,055 due from other municipalities for sewer rental charges up to December 31, 2017.

**REFUND RECEIVABLE**

During the period, the Township discovered a theft of cash remittances of real estate taxes, sewer and trash fees. The theft was estimated to be \$275,256, of which \$260,256 was refunded by insurance settlement received subsequent to year end.

**NOTE 7. SEWER RENTAL CAPITAL FUND**

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. Upper Darby Township had receivable in this fund from another municipality for \$26,667.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 8. FIXED ASSETS**

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

	Balance 01/01/17	Additions	Deletions	Balance 12/31/17
<u>Governmental Activities</u>				
Capital assets not being depreciated:				
Land	\$ 4,637,840	\$ -	\$ -	\$ 4,637,840
Construction in progress	-	2,054,082	-	2,054,082
Total capital assets not being depreciated	4,637,840	2,054,082	-	6,691,922
Capital assets being depreciated:				
Land improvements	25,535	82,988	-	108,523
Building and building improvements	17,184,967	30,920	-	17,215,887
Infrastructure	24,892,380	217,072	-	25,109,452
Machinery and equipment	4,815,549	237,248	(13,109)	5,039,688
Vehicles	13,648,654	1,052,761	(581,192)	14,120,223
Total capital assets being depreciated	60,567,085	1,620,989	(594,301)	61,593,773
Total capital assets	65,204,925	3,675,071	(594,301)	68,285,695
Accumulated depreciation				
Land improvements	10,434	6,703	-	17,137
Building and building improvements	14,198,539	130,075	-	14,328,614
Infrastructure	13,150,307	591,398	-	13,741,705
Machinery and equipment	2,572,129	185,280	(13,109)	2,744,300
Vehicles	10,339,879	752,777	(508,711)	10,583,945
Total accumulated depreciation	40,271,288	1,666,233	(521,820)	41,415,701
Capital assets, net of depreciation	\$ 24,933,637	\$ 2,008,838	\$ (72,481)	\$ 26,869,994

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 8. FIXED ASSETS (continued)**

Depreciation allocations for the year ended December 31, 2017 are as follows:

Council	\$ 450
Administration	105,343
Police	292,310
Fire	290,889
L&I	2,707
Health	9,638
Sanitation	72,845
Sewer	105,468
Public works	535,461
Electric	84,019
Parking meter	1,666
Leisure services	74,474
Parks	26,981
COSA	3,449
General depreciation	60,533
	<u>\$ 1,666,233</u>

Construction in progress, when shown in the governmental funds, represents costs accumulated for projects not completed at year end. Contractual obligations on construction in progress totaled \$1,267,647 at December 31, 2017.

A summary of changes in capital assets of Upper Darby Township and Sellers Memorial Library, a discretely presented component unit, is as follows:

	Balance 01/01/17	Additions	Deletions	Balance 12/31/17
Capital assets not being depreciated:				
Land and non-depreciable historical site	\$ 464,384	\$ -	\$ -	\$ 464,384
Capital assets being depreciated:				
Buildings and improvements	489,098	18,917	-	508,015
Leasehold improvements	174,211	-	-	174,211
Furniture and equipment	581,576	-	-	581,576
Library books and material	1,060,505	88,763	(120,993)	1,028,275
Subtotal	<u>2,769,774</u>	<u>107,680</u>	<u>(120,993)</u>	<u>2,756,461</u>
Less: accumulated depreciation	(1,556,741)	(128,217)	120,993	(1,563,965)
Total	<u>\$1,213,033</u>	<u>\$ (20,537)</u>	<u>\$ -</u>	<u>\$1,192,496</u>

Depreciation for 2017 totaled \$128,217.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 9. 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	\$ 187,327	\$ 1,373,741
Sewer rental fund	1,353,741	-
Debt Service Fund		65,755
Community Development funds	-	121,572
Capital Project funds	20,000	-
	<u>\$ 1,561,068</u>	<u>\$ 1,561,068</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, 2017 are as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
Sewer Rental Fund	\$ -	\$ 481,606
Debt Service Fund	481,606	-
	<u>\$ 481,606</u>	<u>\$ 481,606</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  
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**NOTE 10. FEDERAL GRANTS/SINGLE AUDIT ACT**

Upper Darby Township participated in several federally assisted programs:

<b>PROGRAM</b>
<b>U.S. Department of Housing and Urban Development</b> Community Development Block Grant <i>Passed through the Commonwealth of Pennsylvania</i> <i>HOME Program</i>
<b>U.S. Department of Health and Human Services</b> <i>Passed through Commonwealth of Pennsylvania</i> Special Programs for Aging Title IIIC Special Programs for Aging Title III-Part C Nutrition
<b>Department of Justice</b> <i>Passed through County of Delaware</i> Bullet Proof Vests Justice Assistance Grant
<b>U.S. Department of Transportation</b> <i>Passed through the Commonwealth of Pennsylvania-</i> Division of Highway Safety and Traffic Operations Highway Safety Program-DUI enforcement Highway Planning and Construction Grant

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, 2017 through December 31, 2017. 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 2017 including the November and December 2017 drawdowns 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.

**NOTE 11. 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. This property is part of the Township's fixed assets as reported in Note 8 above.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12. 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. Further, the Township holds various copier leases which vary in terms expiring from 2018 through 2023.

A property at 319 Watkins Avenue is leased for a period of five years through 2019, with 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. The Township leases a property for use by its Leisure Services Department. The lease is a twenty-year lease beginning in 2013 at \$28,048 for the first five years with escalation amounts beginning thereafter.

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

2018	\$	84,820
2019		83,541
2020		78,108
2021		65,568
2022		65,568
Thereafter		<u>492,309</u>
	\$	<u>869,914</u>

**NOTE 13. 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 14. 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 15. 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 becomes a

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 15. RETIREMENT COMMITMENTS (continued)**

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*

**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.

**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 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.

*General provisions*

The Township received on behalf of the plans \$2,638,243 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
Police	\$ 1,202,121	\$ 4,711,803	\$ 3,509,682
Fire	495,531	1,586,677	1,091,146
Municipal	940,591	962,580	21,989
	<u>\$ 2,638,243</u>	<u>\$ 7,261,060</u>	<u>\$ 4,622,817</u>

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 15. RETIREMENT COMMITMENTS (continued)**

Net pension liability and pension expense within the government wide statements recognized for the period pursuant to GASB 68 is as follows:

<i>Net pension liability</i>		
<b>Police</b>	<b>Municipal</b>	<b>Fire</b>
\$22,467,397	\$4,464,733	\$7,073,464
<i>Pension expense</i>		
<b>Police</b>	<b>Municipal</b>	<b>Fire</b>
\$5,495,883	\$563,803	\$1,226,451

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

	<b>Police</b>	<b>Municipal</b>	<b>Fire</b>
Inactive employees or beneficiaries			
currently receiving benefits	131	141	22
Inactive employees entitled to but			
not yet receiving benefits	2	14	-
Active employees	130	206	54
Total employees covered	<u>263</u>	<u>361</u>	<u>76</u>

Active membership of each of the plans contributed as follows for 2017:

	<u>Contribution</u>
Police	\$754,437
Municipal	\$728,513
Fire	\$365,555

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 \$34,337,865.

Projected funding requirements for 2018 based on actuarial computations of minimum municipal obligations are as follows:

Police	\$	5,726,733
Fire		1,631,536
Municipal		1,019,287
	\$	<u>8,377,556</u>



**THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
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**NOTE 15. RETIREMENT COMMITMENTS (continued)**

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:

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

Police - Assets are valued at fair market value

Fire – Assets are valued at fair market value.

Municipal - Assets are valued at fair market value.

*Net Pension Liability of the Township*

*Police*

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

Total pension liability	\$	101,412,126
Plan fiduciary net position		<u>(78,944,729)</u>
Township's net pension liability	\$	<u>22,467,397</u>

Plan fiduciary net position as a percentage of the total pension liability: 77.85%

*Actuarial assumptions*

The total pension liability was determined by an actuarial valuation as of December 31, 2017, using the following actuarial assumptions applied to all periods in the measurement

Inflation	2.5 percent
Salary increases	4.75 percent per annum, including inflation
Investment rate of return	7.75 percent per annum
Cost-of-living adjustment	3 percent per annum

The Plan's total pension liability as of December 31, 2017 was projected by the actuaries from January 1, 2017.

Mortality rates for healthy lives were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment with Scale AA projected to 2017.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 15. RETIREMENT COMMITMENTS (continued)**

*Long term expected rate of return/ money weighted return*

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns weighting these expected rates of return by target asset allocation and adding estimated inflation. The long-term rate of return on assets is expected to be approximately 7.72 percent per year. The annual rate of return on the pension plan investments, net of investment expense, was actually 16.65%. The net blended rate representing the real rate of return, inclusive of inflation and net of plan expenses was 4.10%. Long term expected real rate of return was as follows:

Asset Class	Long-Term Expected Real Rate of Return
Equities	5.78%
Fixed Income	1.35%
Cash	-0.32%
Total Gross Blended Return	4.40%
Less: Plan Expenses	0.35%
Total Net Blended Return	4.05%

The annual money-weighted rate of return on pension plan investments, expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	2014	2015	2016	2017
Annual money-weighted rate of return on Plan investments	7.52%	-1.07%	8.12%	16.65%

*Discount rate*

The discount rate used to measure the total pension liability was 7.75% per year, compounded annually. The Plan's fiduciary net position is projected to be sufficient to make projected benefit payments for all future years. The discount rate is equal to the assumptive long-term rate of return of 7.75%.

*Sensitivity of the net pension liability to changes in the discount rate*

Following presents the net pension liability of the Township if calculated using different discount rates as presented by actuarial determination (unaudited):

	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
Net pension liability	\$ 34,009,406	\$ 22,467,397	\$ 12,766,617

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 15. RETIREMENT COMMITMENTS (continued)**

For the year ended December 31, 2017, the Township recognized pension expense in its government wide statements for the Police pension in the amount of \$ 5,495,883. At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to the police pension as follows:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference between expected and actual experience	\$ -	\$ 3,413,040
Changes in assumptions	3,170,185	-
Net difference between projected and actual investment earnings	-	3,123,769
Changes in proportions	-	-
Contributions subsequent to measurement date	-	-
	<u>\$ 3,170,185</u>	<u>\$ 6,536,809</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Police Pension will be recognized in the Township's pension expense as follows:

Year ending December 31,	
2018	\$ 187,825
2019	\$ (340,962)
2020	\$ (1,940,499)
2021	\$ (1,272,988)
2021	\$ -
Thereafter	\$ -

*Firefighters*

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

Total pension liability	\$ 37,699,376
Plan fiduciary net position	<u>(30,625,912)</u>
Township's net pension liability	<u>\$ 7,073,464</u>

Plan fiduciary net position as a percentage of the total pension liability: 81.24%

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 15. RETIREMENT COMMITMENTS (continued)**

*Actuarial assumptions*

The total pension liability was determined by an actuarial valuation as of January 1, 2017 projected to December 31, 2017, using the following actuarial assumptions applied to all periods in the measurement:

Inflation	3.0 percent
Salary increases	4.75 percent per annum, including inflation
Investment rate of return	7.00 percent per annum

Mortality rates for healthy lives were based on the RP-2000 Mortality Tables, (Blue Collar) projected to 2018 with Scale AA.

*Long term expected rate of return*

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns weighting these expected rates of return by target asset allocation and adding estimated inflation. The long-term rate of return on assets is expected to be approximately 7.25 percent per year. For the year ended December 31, 2017, the net blended rate representing the real rate of return, inclusive of inflation and net of plan expenses, was 3.89%. Long term expected real rate of return was as follows:

Asset Class	Long-Term Expected Real Rate of Return
Equities	5.53%
Fixed Income	1.35%
Cash	-0.34%
Total Gross Blended Return	4.19%
Less: Plan Expenses	0.30%
Total Net Blended Return	3.89%

The annual money-weighted rate of return on pension plan investments, expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	2014	2015	2016	2017
Annual money-weighted rate of return net of investment expense	5.57%	-1.19%	7.56%	15.10%

THE TOWNSHIP OF UPPER DARBY  
 NOTES TO FINANCIAL STATEMENTS  
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NOTE 15. RETIREMENT COMMITMENTS (continued)

*Discount rate*

The discount rate used to measure the total pension liability was 7.00% per year, compounded annually. The Plan's fiduciary net position is projected to be sufficient to make projected benefit payments for all future years.

*Sensitivity of the net pension liability to changes in the discount rate*

Following presents the net pension liability of the Township if calculated using different discount rates as presented by actuarial determination (unaudited):

	1% Decrease 6.00%	Current Rate 7.00%	1% Increase 8.00%
Net pension liability	\$ 11,506,608	\$ 7,073,464	\$ 3,276,954

For the year ended December 31, 2017, the Township recognized pension expense in its government wide statements for the Firefighters pension in the amount of \$ 1,226,451. At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to the Firefighters pension as follows:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference between expected and actual experience	\$ -	\$ 433,917
Changes in assumptions	816,920	-
Net difference between projected and actual investment earnings	-	763,313
Changes in proportions	-	-
Contributions subsequent to measurement date	-	-
	<u>\$ 816,920</u>	<u>\$ 1,197,230</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Firefighters Pension will be recognized in the Township's pension expense as follows:

Year ending December 31,	
2018	\$ 47,139
2019	\$ 47,139
2020	\$ (330,003)
2021	\$ (336,488)
2022	\$ 134,955
Thereafter	\$ 56,950

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 15. RETIREMENT COMMITMENTS (continued)**

*Municipal Employees*

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

Total pension liability	\$ 71,419,652
Plan fiduciary net position	(66,954,919)
Township's net pension liability	<u>\$ 4,464,733</u>

Plan fiduciary net position as a percentage of the total pension liability 93.75%

*Actuarial assumptions*

The total pension liability was determined by an actuarial valuation as of January 1, 2017 and rolled forward to December 31, 2017, using the following actuarial assumptions applied to all periods in the measurement:

Inflation	2.75 percent
Salary increases	5 percent per annum, including inflation
Investment rate of return	8 percent per annum

Mortality rates for healthy lives were based on the RP2000 projected forward with Scale AA.

*Long term expected rate of return*

The long-term expected rate of return on pension plan investments is determined by an estimate of the ranges of expected real rates of returns (expected returns, net of pension plan investment expense and inflation) weighting these expected rates of return by target asset allocation and adding estimated inflation. The long-term rate of return on assets is expected to be as follows:

Asset Class	Long Term Expected Real Rate of Return
Domestic Equity	5.4-6.4%
International Equity	5.5-6.5%
Fixed Income	1.3-3.3%
Cash	0-1.0%
Real estate	4.5-5.5%

*Discount rate*

The discount rate used to measure the total pension liability was 8% per year, compounded annually. The Plan's fiduciary net position is projected to be sufficient to make projected benefit payments for all future years. The discount rate is equal to the assumptive long-term rate of return of 8%.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 15. RETIREMENT COMMITMENTS (continued)**

*Sensitivity of the net pension liability to changes in the discount rate*

Following presents the net pension liability of the Township if calculated using different discount rates as presented by actuarial determination (unaudited):

	1% Decrease 7%	Current Rate 8%	1% Increase 9%
Net pension liability	\$15,027,593	\$4,464,733	(\$4,808,157)

For the year ended December 31, 2017, the Township recognized pension expense in its government wide statements for the Municipal Employees pension in the amount of \$563,803. At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to the Municipal Employees pension as follows:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference between expected and actual experience	\$ -	\$ 4,549,311
Changes in assumptions		
Net difference between projected and actual investment earnings	-	4,351,832
Changes in proportions	-	-
Contributions subsequent to measurement date	-	-
	<u>\$ -</u>	<u>\$ 8,901,143</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Municipal Employees Pension will be recognized in the Township's pension expense as follows:

**NOTE 16. 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 does not have a qualified,

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 16. OTHER POST EMPLOYMENT BENEFITS (continued)**

irrevocable OPEB Trust. As such, as noted above, the policy is to pay its share of retiree benefits as they come due ("pay as you go").

The Township's annual other postemployment benefit (OPEB) cost (expense), referred to as the Actuarially Determined Contribution (ADC) is calculated pursuant to GASB 75 based on the five-year average historical contributions as a percentage of ADC or the covered payroll.

The ADC for the year ending December 31, 2017 is \$5,155,258. The ADC for the year ending December 31, 2018 is \$9,492,405.

GASB No. 45, subsequently replaced by GASB No. 75, 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).

The OPEB expense for the year is the service cost plus interest cost and recognition of deferred outflows related to the changes in actuarial assumptions. The following show the components of the annual OPEB expense for the year, the amount actually contributed to the Plan, and the changes in the Township's OPEB obligation:

Annual OPEB cost (expense)	\$ 27,180,392
Contributions made (pay as you go)	(4,343,212)
Increase in net OPEB obligation	<u>22,837,180</u>
Actuarial adjustment	23,577,604
Net OPEB obligation at January 1, 2016 - restated	263,292,074
Net OPEB obligation at December 31, 2017	<u>\$ 309,706,858</u>

Fiscal year Ended	Actuarially Determined Contribution	Actuarially Determined Historical Contribution	Contribution Deficiency	Covered Payroll	Contributions as a Percentage of Covered Payroll
December 31, 2009	\$ 21,016,627	\$ 4,952,858	\$ 16,063,769	n/a	n/a
December 31, 2010	\$ 19,852,104	\$ 3,077,800	\$ 16,774,304	n/a	n/a
December 31, 2011	\$ 20,707,976	\$ 3,385,579	\$ 17,322,397	n/a	n/a
December 31, 2012	\$ 20,787,230	\$ 4,382,649	\$ 16,404,581	n/a	n/a
December 31, 2013	\$ 22,232,345	\$ 5,002,420	\$ 17,229,925	n/a	n/a
December 31, 2014	\$ 23,069,235	\$ 5,452,638	\$ 17,616,597	n/a	n/a
December 31, 2015	\$ 24,189,411	\$ 5,199,967	\$ 18,989,444	n/a	n/a
December 31, 2016	\$ 23,899,171	\$ 6,599,347	\$ 17,299,824	\$ 29,177,102	22.62%
December 31, 2017	\$ 5,155,258	\$ 5,119,112	\$ 36,146	\$ 28,055,390	18.25%

The following is based upon the January 1, 2017 actuarial valuation and is unaudited:

Total OPEB Liability	\$ 309,706,858
	<u>\$ 309,706,858</u>
Funded ratio (actuarial value of plan assets)	0%



**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 16. OTHER POST EMPLOYMENT BENEFITS (continued)**

Participant data is as follows:

a. Retirees with life insurance	195
b. Retirees and covered spouses with healthcare	348
c. Active plan members	394

At December 31, 2017, the Township reported deferred outflows of resources and deferred inflows of resources related to the Other Post-Employment Benefits as follows:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Difference between expected and actual experience	\$ -	\$ -
Changes in assumptions	24,353,504	-
Net difference between projected and actual investment earnings	-	-
Changes in proportions	-	-
Contributions subsequent to measurement date	-	-
	<u>\$ 24,353,504</u>	<u>\$ -</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the other post-employment benefits will be recognized in the Township's pension expense as follows:

Year ending December 31,	
2018	\$ 3,896,250
2019	\$ 3,896,250
2020	\$ 3,896,250
2021	\$ 3,896,250
2022	\$ 3,896,250
Thereafter	\$ 4,872,254

The discount rate used to measure the total OPEB liability for 2017 was 3.15%.

*Sensitivity of the net pension liability to changes in the discount/ healthcare trend rates*

Following presents the net OPEB liability of the Township if calculated using different discount rates as presented by actuarial determination (unaudited):

	1% Decrease 2.15%	Current Rate 3.15%	1% Increase 4.15%
Net OPEB Liability	<u>\$376,302,776</u>	<u>\$309,706,858</u>	<u>\$258,539,540</u>

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 16. OTHER POST EMPLOYMENT BENEFITS (continued)**

Following presents the net OPEB liability of the Township if calculated using different healthcare trend rates as presented by actuarial determination (unaudited):

	1% Decrease	Current Rate	1% Increase
Net OPEB Liability	\$254,560,572	\$309,706,858	\$383,200,845

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective and actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets as applicable.

Valuation date	January 1, 2017
Actuarial cost method	Entry Age Normal
Healthcare Cost Trend	5%
Funding police	Pay as you go
Salary increase assumptions	4.75% for all assumptions
Discount rate	3.15%
UAAL amortization	Open, level-dollar amortization 30 years

**NOTE 17. 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 10 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, 2017 is included herein as supplemental information.

**NOTE 18. 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 19. RESTATEMENT**

The beginning net position within these statements was restated for the actuarially determined increase in Other Post Employment Benefits (OPEB) resulting from the adoption of GASB No. 75, as noted above. This adoption resulted in an increase of \$106,534,113 of the beginning balance of the OPEB liability as of January 1, 2017.

**THE TOWNSHIP OF UPPER DARBY  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 20. SUBSEQUENT EVENTS**

Management of the Township has evaluated subsequent events through June 20, 2018, 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, 2017

	General Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Real estate taxes	\$ 51,220,000	\$ 51,220,000	\$ 51,931,203	\$ 711,203
Local enabling act taxes	3,015,000	3,015,000	3,014,352	(648)
Licenses and permits	2,873,500	2,873,500	3,366,727	493,227
Fines and forfeits	670,000	670,000	627,792	(42,208)
Rent	195,000	195,000	224,890	29,890
Investment earnings	25,000	25,000	219,043	194,043
Public utility realty tax	60,000	60,000	56,753	(3,247)
Grants and entitlements	2,076,000	2,076,000	1,534,170	(541,830)
Delaware County Office of Services for the Aging (COSA)	312,000	312,000	300,934	(11,066)
Departmental earnings	6,783,600	6,783,600	6,784,366	766
Pennsylvania contribution for pension and ad hoc	2,285,843	2,285,843	2,638,246	352,403
Volunteer fireman allocation	300,000	300,000	235,331	(64,669)
Miscellaneous/refunds and reimbursements	790,000	790,000	918,495	128,495
Sewer fund reimbursement	900,000	900,000	943,615	43,615
Total revenues	<u>71,505,943</u>	<u>71,505,943</u>	<u>72,795,917</u>	<u>1,289,974</u>
<b>EXPENDITURES</b>				
General governmental	15,255,967	15,215,967	14,366,046	849,921
Public Safety	41,708,602	42,658,602	42,463,888	194,714
Health and sanitation	5,331,549	5,147,549	4,928,734	218,815
Community development	1,825,000	1,825,000	1,454,798	370,202
Electric, parking and public works	3,454,901	3,478,901	3,525,900	(46,999)
Leisure services, COSA and parks	3,370,878	3,370,878	3,132,579	238,299
Volunteer fire allocation	300,000	300,000	235,331	64,669
Municipal pension contribution	962,580	962,580	962,580	-
Library contribution	1,320,845	1,320,845	1,320,845	-
Total expenditures	<u>73,530,322</u>	<u>74,280,322</u>	<u>72,390,701</u>	<u>1,889,621</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,024,379)</u>	<u>(2,774,379)</u>	<u>405,216</u>	<u>3,179,595</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>\$ (2,024,379)</u>	<u>\$ (2,774,379)</u>	<u>405,216</u>	<u>\$ 3,179,595</u>
<b>FUND BALANCE - BEGINNING</b>			<u>7,809,905</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 8,215,121</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, 2017

	Sewer Rental Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Sewer rentals, penalties and interest	\$ 7,500,000	\$ 7,500,000	\$ 7,717,022	\$ 217,022
Investment earnings	500	500	129	(371)
Grants and entitlements	25,000	25,000	-	(25,000)
Joint projects other municipalities	1,635,634	1,635,634	1,217,991	(417,643)
Total revenues	<u>9,161,134</u>	<u>9,161,134</u>	<u>8,935,142</u>	<u>(225,992)</u>
<b>EXPENDITURES</b>				
Sewer	<u>9,228,616</u>	<u>9,228,616</u>	<u>8,330,451</u>	<u>898,165</u>
Total expenditures	<u>9,228,616</u>	<u>9,228,616</u>	<u>8,330,451</u>	<u>898,165</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(67,482)</u>	<u>(67,482)</u>	<u>604,691</u>	<u>672,173</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>				
Operating transfers in	-	-	-	-
Operating transfers out--sewer rental sinking fund	<u>(488,213)</u>	<u>(488,213)</u>	<u>(481,606)</u>	<u>6,607</u>
Total other financing sources (uses) of funds, net	<u>(488,213)</u>	<u>(488,213)</u>	<u>(481,606)</u>	<u>6,607</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	<u>\$ (555,695)</u>	<u>\$ (555,695)</u>	<u>123,085</u>	<u>\$ 678,780</u>
<b>FUND BALANCE - BEGINNING</b>			<u>2,209,114</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 2,332,199</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, 2017

	Highway Aid Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Investment earnings	\$ 500	\$ 500	\$ 841	\$ 341
Other income	-	-	-	-
Grants and entitlements	1,979,020	1,979,020	1,930,607	(48,413)
Total revenues	<u>1,979,520</u>	<u>1,979,520</u>	<u>1,931,448</u>	<u>(48,072)</u>
<b>EXPENDITURES</b>				
Highways and streets	1,979,520	1,979,520	1,535,468	444,052
Total expenditures	<u>1,979,520</u>	<u>1,979,520</u>	<u>1,535,468</u>	<u>444,052</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>395,980</u>	<u>395,980</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>\$ -</u>	<u>\$ -</u>	<u>395,980</u>	<u>\$ 395,980</u>
<b>FUND BALANCE - BEGINNING</b>			26,486	
<b>FUND BALANCE - ENDING</b>			<u>\$ 422,466</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, 2017

	Debt Service Fund		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original Budget	Final Budget		
<b>REVENUES</b>				
Real estate taxes	\$ 2,552,594	\$ 2,552,594	\$ 2,571,029	\$ 18,435
Other revenue	-	-	-	-
Investment earnings	-	-	-	-
Total revenues	<u>2,552,594</u>	<u>2,552,594</u>	<u>2,571,029</u>	<u>18,435</u>
<b>EXPENDITURES</b>				
Principal	2,496,000	2,960,000	2,960,000	-
Interest	149,970	158,348	158,348	-
Total expenditures	<u>2,645,970</u>	<u>3,118,348</u>	<u>3,118,348</u>	-
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(93,376)</u>	<u>(565,754)</u>	<u>(547,319)</u>	<u>18,435</u>
<b>OTHER FINANCING SOURCES (USES) OF FUNDS:</b>				
Operating transfers in	-	472,378	481,606	9,228
Operating transfers out	-	-	-	-
Total other financing sources (uses) of funds, net	<u>-</u>	<u>472,378</u>	<u>481,606</u>	<u>9,228</u>
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	<u>\$ (93,376)</u>	<u>\$ (93,376)</u>	<u>(65,713)</u>	<u>\$ 27,663</u>
<b>FUND BALANCE - BEGINNING</b>			<u>375,409</u>	
<b>FUND BALANCE - ENDING</b>			<u>\$ 309,696</u>	



**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

**DECEMBER 31, 2017  
(UNAUDITED)**

**SCHEDULES OF CHANGES IN UPPER DARBY TOWNSHIP'S  
NET PENSION LIABILITIES AND RELATED RATIOS**

**FIREFIGHTERS PENSION PLAN**

	2014	2015	2016	2017
<b>Total Pension Liability</b>				
Service cost	\$ 880,824	\$ 832,869	\$ 848,744	\$ 930,306
Interest	2,036,876	2,258,285	2,379,778	2,432,481
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(529)	(551,095)	(309,056)	119,120
Changes in assumptions	-	-	-	970,160
Benefit payments	<u>(697,458)</u>	<u>(752,903)</u>	<u>(1,007,436)</u>	<u>(1,144,224)</u>
<b>Net change in total pension liability</b>	2,219,713	1,787,156	1,912,030	3,307,843
<b>Total pension liability - beginning</b>	<u>28,472,634</u>	<u>30,692,347</u>	<u>32,479,503</u>	<u>34,391,533</u>
<b>Total pension liability - ending</b>	<u>\$ 30,692,347</u>	<u>\$ 32,479,503</u>	<u>\$ 34,391,533</u>	<u>\$ 37,699,376</u>
 <b>Plan Fiduciary Net Position</b>				
Contributions-township and state aid	\$ 1,069,622	\$ 1,125,538	\$ 1,515,976	\$ 1,586,677
Contributions-employee	357,305	367,743	394,308	365,555
Other income	-	-	-	191,293
Net investment income (loss)	1,163,102	(271,486)	1,750,732	3,767,421
Benefit payments	<u>(697,458)</u>	<u>(752,903)</u>	<u>(1,007,436)</u>	<u>(1,144,224)</u>
Administrative expense	<u>(33,907)</u>	<u>(32,046)</u>	<u>(31,094)</u>	<u>(28,185)</u>
<b>Net change in fiduciary net position</b>	1,858,664	436,846	2,622,486	4,738,537
<b>Plan fiduciary net position - beginning</b>	<u>20,969,379</u>	<u>22,828,043</u>	<u>23,264,889</u>	<u>25,887,375</u>
<b>Plan fiduciary net position - ending</b>	<u>\$ 22,828,043</u>	<u>\$ 23,264,889</u>	<u>\$ 25,887,375</u>	<u>\$ 30,625,912</u>
 <b>Upper Darby Township net pension liability</b>	<u>\$ 7,864,304</u>	<u>\$ 9,214,614</u>	<u>\$ 8,504,158</u>	<u>\$ 7,073,464</u>
 <b>Plan fiduciary net position as a percentage of total pension liability</b>	74.38%	71.63%	75.27%	81.24%
 <b>Covered employee payroll</b>	\$ 5,863,744	\$ 6,142,272	\$ 6,434,030	\$ 6,149,717

**SCHEDULE OF INVESTMENT RETURNS**

	2014	2015	2016	2017
Annual money-weighted rate of return net of investment expense	5.57%	-1.19%	7.56%	15.10%

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

**DECEMBER 31, 2017  
(UNAUDITED)**

**SCHEDULES OF CHANGES IN UPPER DARBY TOWNSHIP'S  
NET PENSION LIABILITIES AND RELATED RATIOS**

**POLICE PENSION**

	2014	2015	2016	2017
<i><b>Total Pension Liability</b></i>				
Service cost	\$ 3,189,543	\$ 3,349,022	\$ 3,666,355	\$ 3,655,606
Interest	5,987,854	6,367,532	6,951,797	7,212,605
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	-	(4,040,837)	-	(2,733,364)
Changes in assumptions	-	8,907,859	-	249,081
Benefit payments	<u>(4,401,917)</u>	<u>(4,460,947)</u>	<u>(4,493,295)</u>	<u>(5,043,907)</u>
<b>Net change in total pension liability</b>	<b>4,775,480</b>	<b>\$ 10,122,629</b>	<b>\$ 6,124,857</b>	<b>\$ 3,340,021</b>
<b>Total pension liability--beginning</b>	<u>77,049,139</u>	<u>81,824,619</u>	<u>91,947,248</u>	<u>98,072,105</u>
<b>Total pension liability--ending</b>	<u><b>\$ 81,824,619</b></u>	<u><b>\$ 91,947,248</b></u>	<u><b>\$ 98,072,105</b></u>	<u><b>\$ 101,412,126</b></u>
 <i><b>Plan Fiduciary Net Position</b></i>				
Contributions-township and state aid	\$ 4,843,478	\$ 5,012,337	\$ 4,538,737	\$ 4,711,803
Contributions-employee	743,812	777,447	859,918	754,436
Net investment income	4,086,233	(437,319)	5,161,225	11,309,664
Benefit payments	(4,401,917)	(4,460,947)	(4,493,295)	(5,043,907)
Administrative expense	<u>(56,143)</u>	<u>(292,272)</u>	<u>(263,278)</u>	<u>(322,586)</u>
<b>Net change in fiduciary net position</b>	<b>5,215,463</b>	<b>599,246</b>	<b>5,803,307</b>	<b>11,409,410</b>
<b>Plan fiduciary net position--beginning</b>	<u>55,917,303</u>	<u>61,132,766</u>	<u>61,732,012</u>	<u>67,535,319</u>
<b>Plan fiduciary net position--ending</b>	<u><b>\$ 61,132,766</b></u>	<u><b>\$ 61,732,012</b></u>	<u><b>\$ 67,535,319</b></u>	<u><b>\$ 78,944,729</b></u>
 <b>Upper Darby Township net pension liability</b>	<u><b>\$ 20,691,853</b></u>	<u><b>\$ 30,215,236</b></u>	<u><b>\$ 30,536,786</b></u>	<u><b>\$ 22,467,397</b></u>
 <b>Plan fiduciary net position as a percentage of total pension liability</b>	<b>74.71%</b>	<b>67.14%</b>	<b>68.86%</b>	<b>77.85%</b>
<b>Covered employee payroll</b>	<b>\$ 12,930,104</b>	<b>\$ 13,841,548</b>	<b>\$ 14,304,153</b>	<b>\$ 14,474,564</b>
 <b>Net pension liability as a percentage of covered employee payroll</b>	<b>160.03%</b>	<b>218.29%</b>	<b>213.48%</b>	<b>155.22%</b>

**SCHEDULE OF INVESTMENT RETURNS**

	2014	2015	2016	2017
Annual money-weighted rate of return on Plan investments net of investment expense	7.52%	-1.07%	8.12%	16.65%

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

**DECEMBER 31, 2017  
(UNAUDITED)**

**SCHEDULES OF CHANGES IN UPPER DARBY TOWNSHIP'S  
NET PENSION LIABILITIES AND RELATED RATIOS**

**MUNICIPAL EMPLOYEES PENSION PLAN**

	2014	2015	2016	2017
<i><b>Total Pension Liability</b></i>				
Service cost	\$ 1,328,842	\$ 1,364,058	\$ 1,531,882	\$ 1,436,443
Interest	4,827,925	4,981,253	5,413,416	5,432,696
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(689,593)	(1,340,172)	(612,438)	(3,003,293)
Changes in assumptions				
Benefit payments	<u>(3,714,872)</u>	<u>(3,181,428)</u>	<u>(3,446,427)</u>	<u>(3,770,947)</u>
<b>Net change in total pension liability</b>	<b>1,752,302</b>	<b>1,823,712</b>	<b>2,886,433</b>	<b>94,899</b>
<b>Total pension liability - beginning</b>	<b>64,862,306</b>	<b>66,614,608</b>	<b>68,438,320</b>	<b>71,324,753</b>
<b>Total pension liability - ending</b>	<b><u>\$ 66,614,608</u></b>	<b><u>\$ 68,438,320</u></b>	<b><u>\$ 71,324,753</u></b>	<b><u>\$ 71,419,652</u></b>
<i><b>Plan Fiduciary Net Position</b></i>				
Contributions-township and state aid	\$ 896,788	\$ 873,334	\$ 907,281	\$ 750,502
Contributions-employee	653,919	691,270	766,948	940,591
Net investment income	4,486,461	110,645	2,380,341	9,035,734
Benefit payments	<u>(3,714,872)</u>	<u>(3,181,428)</u>	<u>(3,446,427)</u>	<u>(3,770,947)</u>
Other	-	7,055	10,787	-
Administrative expense	<u>(43,500)</u>	<u>(87,785)</u>	<u>(68,786)</u>	<u>(60,639)</u>
<b>Net change in fiduciary net position</b>	<b>2,278,796</b>	<b>(1,586,909)</b>	<b>550,144</b>	<b>6,895,241</b>
<b>Plan fiduciary net position - beginning</b>	<b>58,817,647</b>	<b>61,096,443</b>	<b>59,509,534</b>	<b>60,059,678</b>
<b>Plan fiduciary net position - ending</b>	<b><u>\$ 61,096,443</u></b>	<b><u>\$ 59,509,534</u></b>	<b><u>\$ 60,059,678</u></b>	<b><u>\$ 66,954,919</u></b>
<b>Upper Darby Township net pension liability</b>	<b><u>\$ 5,518,165</u></b>	<b><u>\$ 8,928,786</u></b>	<b><u>\$ 11,265,075</u></b>	<b><u>\$ 4,464,733</u></b>
<b>Plan fiduciary net position as a percentage of total pension liability</b>	<b>91.72%</b>	<b>86.95%</b>	<b>84.21%</b>	<b>93.75%</b>
<b>Covered employee payroll</b>	<b>\$ 10,551,801</b>	<b>\$ 11,142,155</b>	<b>\$ 11,658,330</b>	<b>\$ 11,694,804</b>
<b>Township's net pension liability as a percentage of covered payroll</b>	<b>52.30%</b>	<b>86.95%</b>	<b>96.63%</b>	<b>38.18%</b>

**SCHEDULE OF INVESTMENT RETURNS**

	2014	2015	2016	2017
Annual money-weighted rate of return net of investment expense	8.33%	-0.71%	4.63%	15.94%

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

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

**DECEMBER 31, 2017**

Actuarially determined contributions are determined in accordance with Pennsylvania Act 205. Assumptions used for contribution requirements match those used for GASB purposes.

**POLICE:**

	Actuarially determined contribution	Contributions in relation to actuarially determined contribution	Contribution excess (deficiency)	Covered employee payroll	Contributions as a percentage of covered payroll
2008	\$3,451,236	\$3,451,236	\$ -	\$10,315,914	33.46%
2009	\$3,720,809	\$3,720,809	\$ -	\$11,374,290	32.71%
2010	\$3,746,842	\$3,746,842	\$ -	\$11,852,118	31.61%
2011	\$4,731,466	\$4,731,466	\$ -	\$11,847,920	39.93%
2012	\$4,414,043	\$4,414,043	\$ -	\$11,783,712	37.46%
2013	\$4,949,013	\$4,949,013	\$ -	\$12,171,676	40.66%
2014	\$4,843,478	\$4,843,478	\$ -	\$12,930,104	37.46%
2015	\$5,012,337	\$5,012,337	\$ -	\$13,841,548	36.21%
2016	\$4,538,737	\$4,538,737	\$ -	\$14,304,153	31.73%
2017	\$4,711,803	\$4,711,803	\$ -	\$14,474,564	32.55%

**FIRE:**

	Actuarilly determined contribution	Contributions in relation to actuarially determined contribution	Contribution excess (deficiency)	Covered employee payroll	Contributions as a percentage of covered payroll
2008	\$712,761	\$712,761	\$ -	not available	N/A
2009	\$760,335	\$760,335	\$ -	\$4,082,200	18.63%
2010	\$779,085	\$779,085	\$ -	not available	N/A
2011	\$898,564	\$898,564	\$ -	\$4,458,017	20.16%
2012	\$817,982	\$817,982	\$ -	not available	N/A
2013	\$1,025,025	\$1,025,025	\$ -	\$5,119,335	20.02%
2014	\$1,069,622	\$1,069,622	\$ -	\$5,863,744	18.24%
2015	\$1,125,538	\$1,125,538	\$ -	\$6,142,272	18.32%
2016	\$1,305,775	\$1,305,775	\$ -	\$6,434,030	20.29%
2017	\$1,586,677	\$1,586,677	\$ -	\$6,149,717	25.80%

REQUIRED SUPPLEMENTARY INFORMATION

THE TOWNSHIP OF UPPER DARBY

SCHEDULE OF EMPLOYER AND COMMONWEALTH OF PENNSYLVANIA  
CONTRIBUTIONS

DECEMBER 31, 2017

MUNICIPAL:

	Actuarially determined contribution	Contributions in relation to actuarially determined contribution	Contribution excess (deficiency)	Covered employee payroll	Contributions as a percentage of covered payroll
2008	\$273,359	\$273,359	\$ -	\$9,827,202	2.78%
2009	\$327,956	\$327,956	\$ -	\$10,405,119	3.15%
2010	\$374,296	\$374,296	\$ -	\$10,405,119	3.60%
2011	\$822,055	\$822,055	\$ -	\$10,654,302	7.72%
2012	\$728,889	\$728,889	\$ -	\$10,278,604	7.09%
2013	\$869,754	\$869,754	\$ -	\$10,052,549	8.65%
2014	\$896,788	\$896,788	\$ -	\$10,551,801	8.50%
2015	\$873,334	\$873,334	\$ -	\$11,142,155	7.84%
2016	\$907,281	\$907,281	\$ -	\$11,658,330	7.78%
2017	\$962,580	\$962,580	\$ -	\$11,694,804	8.23%

**REQUIRED SUPPLEMENTARY INFORMATION**

**THE TOWNSHIP OF UPPER DARBY**

**DECEMBER 31, 2017**

**SCHEDULES OF CHANGES IN UPPER DARBY TOWNSHIP'S  
NET OPEB LIABILITIES**

	<b>2017</b>
Total OPEB Liability	
Service cost	\$ 13,637,039
Interest	9,647,103
Changes in benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	28,649,469
Benefit payments	<u>(5,518,827)</u>
Net change in total pension liability	46,414,784
Total pension liability - beginning	<u>263,292,074</u>
Total pension liability - ending	<u><u>\$309,706,858</u></u>
Plan Fiduciary Net Position	
Employer contribution	\$ 5,119,112
Net investment income	-
Benefit payments	<u>(5,518,827)</u>
Participant contributions	399,715
Administrative expense	<u>-</u>
Net change in fiduciary net position	-
Plan fiduciary net position - beginning	<u>-</u>
Plan fiduciary net position - ending	<u><u>\$ -</u></u>

<u>Fiscal year Ended</u>	<u>Actuarily Determined Contribution</u>	<u>Actuarily Determined Historical Contribution</u>	<u>Contribution Deficiency</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
December 31, 2009	\$ 21,016,627	\$ 4,952,858	\$ 16,063,769	n/a	n/a
December 31, 2010	\$ 19,852,104	\$ 3,077,800	\$ 16,774,304	n/a	n/a
December 31, 2011	\$ 20,707,976	\$ 3,385,579	\$ 17,322,397	n/a	n/a
December 31, 2012	\$ 20,787,230	\$ 4,382,649	\$ 16,404,581	n/a	n/a
December 31, 2013	\$ 22,232,345	\$ 5,002,420	\$ 17,229,925	n/a	n/a
December 31, 2014	\$ 23,069,235	\$ 5,452,638	\$ 17,616,597	n/a	n/a
December 31, 2015	\$ 24,189,411	\$ 5,199,967	\$ 18,989,444	n/a	n/a
December 31, 2016	\$ 23,899,171	\$ 6,599,347	\$ 17,299,824	\$ 29,177,102	22.62%
December 31, 2017	\$ 5,155,258	\$ 5,119,112	\$ 36,146	\$ 28,055,390	18.25%

**SUPPLEMENTAL INFORMATION**

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION  
BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2017

	PECO GREEN REGION FUND	COMMUNITY DEVELOPMENT GRANTS	UPPER DARBY FOOTBALL BOWL	TOTAL
<b>ASSETS</b>				
Cash	\$ -	\$ -	\$ 3,460	\$ 3,460
Assessments receivable	-	-	-	-
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
Grant receivable	-	126,112	-	126,112
Due from Commonwealth	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 126,112</b>	<b>\$ 3,460</b>	<b>\$ 129,572</b>
<b>Liabilities</b>				
Due to Sewer fund	\$ -	\$ -	\$ -	\$ -
Due to Highway fund	-	-	-	-
Due to Local Weed and Seed	-	-	-	-
Due to Debt Service fund	-	-	-	-
Accounts payable	-	-	-	-
Due to other entities	-	-	-	-
Due to general fund	-	121,572	-	121,572
Due to Commonwealth	-	-	-	-
Unearned revenue	-	4,540	-	4,540
Total liabilities	-	126,112	-	126,112
<b>Fund Balance</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed for:				
Debt service	-	-	-	-
Capital projects	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	3,460	3,460
Total fund balance	-	-	3,460	3,460
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ -</b>	<b>\$ 126,112</b>	<b>\$ 3,460</b>	<b>\$ 129,572</b>



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, 2017

	PECO GREEN REGION FUND	COMMUNITY DEVELOPMENT GRANTS	UPPER DARBY FOOTBALL BOWL	TOTAL
<b>REVENUES</b>				
Other grants and donations	\$ 10,000	\$ 262,571	\$ -	\$ 272,571
Federal grant	-	11,625	-	11,625
Investment earnings	-	-	-	-
State grant	-	-	-	-
Total revenues	10,000	274,196	-	284,196
<b>EXPENDITURES</b>				
Governmental expenditures	-	-	532	532
Public safety	-	90,498	-	90,498
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay				
Highways and streets and sewers	-	51,911	-	51,911
Community development	10,000	131,787	-	141,787
Public safety	-	-	-	-
Departmental	-	-	-	-
Total expenditures	-	274,196	532	284,728
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(532)	(532)
<b>OTHER FINANCING SOURCES AND (USES) OF FUNDS</b>				
Operating transfer	-	-	-	-
Total other financing sources (uses) of funds	-	-	-	-
<b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	-	-	(532)	-
<b>FUND BALANCE - BEGINNING</b>	-	-	3,992	3,992
<b>FUND BALANCE - ENDING</b>	\$ -	\$ -	\$ 3,460	\$ 3,460

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

BALANCE SHEET  
GENERAL FUND

DECEMBER 31, 2017

ASSETS

Cash and cash equivalents		\$ 8,042,123
Real estate taxes receivable		
Real estate taxes - current	\$ 2,393,165	
Less: Allowance for uncollectible accounts	(717,949)	
	<u>1,675,216</u>	
Real estate taxes - prior	1,758,167	
Less: Allowance for uncollectible accounts	(527,450)	
	<u>1,230,717</u>	
Total real estate taxes receivable		2,905,933
Other accounts receivable		2,960,471
Prepaid insurance		1,418,638
Due from other funds		187,327
<b>TOTAL ASSETS</b>		<u>15,514,492</u>
<b>Deferred outflows of resources</b>		-
Total assets and deferred outflows of resources		<u>\$ 15,514,492</u>

LIABILITIES AND FUND BALANCE

<b>Liabilities</b>		
Accounts payable	\$ 507,207	
Due to other funds	1,373,741	
Due to other entities	21,948	
Accrued payroll and related liabilities	987,435	
Escrow liability	316,252	
Unearned revenue	4,980	
Total liabilities	<u>3,211,563</u>	
<b>Deferred inflows of resources</b>		
Unavailable taxes and trash fees	4,087,808	
Total liabilities and deferred inflows of resources	<u>7,299,371</u>	
<b>Fund Balance</b>		
Nonspendable	1,418,638	
Restricted	-	
Committed for:		
Debt service	-	
Capital projects	-	
Assigned to 2018 appropriation	1,944,629	
Unassigned	4,851,854	
Total fund balance	<u>8,215,121</u>	
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<u>\$ 15,514,492</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, 2017

**REVENUES**

<b>Taxes - Real Estate (net)</b>	\$ 51,931,203
<b>Local Enabling Act Taxes</b>	
Mercantile tax	1,477,377
Business privilege tax	786,156
Local service tax	728,019
Mechanical devices and amusement admission taxes	22,800
	<u>3,014,352</u>
<b>Licenses and Permits</b>	
Beverage (liquor license)	25,750
Health, plumbing, and housing	810,822
Streets	68,383
Licenses and inspection	999,338
Cable television	1,462,434
	<u>3,366,727</u>
<b>Fines - Forfeits Costs</b>	
Upper Darby central courts	244,411
Police fines, violation, parking meter fines and drug forfeiture	383,381
	<u>627,792</u>
<b>Rents</b>	
Rent of building and parking lots	224,890
	<u>224,890</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, 2017

**Grants and Gifts**

Delaware County Office of Services for the Aging (COSA)	300,934
Federal grant	1,296,525
State and miscellaneous grants	148,477
County highway aid	89,168
Public utility realty tax act	56,753
	<u>1,891,857</u>

**Departmental Earnings**

Garbage, refuse charges and recycling	5,137,812
Parking meters	654,128
Miscellaneous police	65,384
Other departmental revenue and miscellaneous revenue	813,433
HUD program income / loan recapture	113,609
	<u>6,784,366</u>
Total revenues	<u>67,841,187</u>

**OTHER REVENUE**

Interest income	219,043
Miscellaneous refunds and reimbursements	918,494
Municipal pension plans	2,638,246
Volunteer fire allocation	235,331
Sewer fund transfer	943,615
Total other revenue	<u>4,954,729</u>

**TOTAL REVENUES**

72,795,916

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

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

FOR THE YEAR ENDED DECEMBER 31, 2017

GOVERNMENTAL EXPENDITURES

GENERAL GOVERNMENT

Administration

Salaries	1,175,646
Materials and supplies	27,802
General expenses	284,763
Community event	7,644
Maintenance and repairs and computer	11,511
Court fees solicitor	266,003
HUD transfer	(4,368)
	<u>1,769,001</u>

Treasurer

Salaries	7,212
	<u>7,212</u>

Municipal Buildings

Salaries	1,124,564
Materials and supplies - general	35,590
Utility cost	102,311
Postage expense	65,879
Maintenance and repairs, computer administration	135,096
Drug alcohol testing	8,968
General expenses	223,154
	<u>1,695,562</u>

Total general government 3,471,775

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

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

FOR THE YEAR ENDED DECEMBER 31, 2017

**PROTECTION TO PERSONS AND PROPERTY**

**Police Protection**

Salaries	16,349,559
Materials, supplies and general expenses	223,986
Utilities	47,847
Vehicle operation and new vehicles	152,511
Insurance, social security tax	7,644,839
Communication expense	42,711
Maintenance and repairs and equipment	143,327
Police training and civil service	93,377
Computer maintenance and consulting	176,696
Pension plan contribution	4,711,803
	<u>29,586,656</u>

**Fire**

Salaries	6,801,719
Materials, supplies, and general expenses	140,299
Fire truck repairs	21,872
Utilities and hydrants	195,886
Communication expense	16,196
Insurance, social security tax and workers' compensation	2,607,612
Contribution volunteer fire companies	765,250
Pension contribution	1,586,677
	<u>12,135,511</u>

**Building Regulation Planning and Zoning**

Salaries	750,749
Materials and supplies	8,189
General expenses	23,964
HUD transfer	(41,181)
	<u>741,721</u>

Total protection to persons and property 42,463,888

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

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

FOR THE YEAR ENDED DECEMBER 31, 2017

**HEALTH AND SANITATION**

**General Health Services**

Salaries	416,661
Materials and supplies	9,909
Communication expense	5,920
General expenses	63,854
	<u>496,344</u>

**Sanitation Collection and Disposal**

Salaries	2,991,139
Materials and supplies	8,423
Landfill fees	1,163,766
General expenses and recycling	92,513
Lien fees	155,982
Communication expense	20,567
	<u>4,432,390</u>

Total health and sanitation	<u>4,928,734</u>
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THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

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

FOR THE YEAR ENDED DECEMBER 31, 2017

**GENERAL SERVICES, STREET LIGHTS AND HIGHWAY**

**Electrical Department**

Salaries	397,103
Materials and supplies	8,359
General expenses	1,253
Maintenance and repairs, traffic lights and lighting	748,027
HUD transfer	<u>(18,337)</u>
	<u>1,136,405</u>

**Department of Public Works**

Salaries	456,854
Materials and supplies	41,601
General expenses	62,916
Vehicle operating expense, repairs and parts	943,539
Maintenance and equipment and construction repairs	383,678
HUD transfer	<u>(541)</u>
	<u>1,888,047</u>

**Parking Meter**

Salaries	385,133
Materials and supplies	<u>27,146</u>
	<u>412,279</u>

Total general services, street lights and highway 3,436,731



THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

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

FOR THE YEAR ENDED DECEMBER 31, 2017

**DEPARTMENT OF LEISURE SERVICES**

**General Recreation Services**

Salaries	904,570
Materials and supplies	125,831
Summer stage royalties	62,744
Professional services	125,029
General expenses	127,961
	<u>1,346,135</u>

**Parks and Playgrounds**

Salaries	1,110,201
Materials and supplies	100,868
Maintenance and repairs	82,868
Utilities	100,006
Major equipment replacement and construction	20,334
General expenses	37,639
	<u>1,451,916</u>

Total department of leisure services 2,798,051

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

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

FOR THE YEAR ENDED DECEMBER 31, 2017

<b>Miscellaneous Expenditures</b>	
Social security taxes	712,136
Volunteer fire allocation	235,331
Insurance premiums and workers' compensation claims	9,981,043
Grants and program activity, HUD, COSA and County Aid	1,878,494
Municipal pension contribution	962,580
Refunds, contingencies and miscellaneous	201,092
Library contribution	<u>1,320,845</u>
Total miscellaneous expenditures	<u>15,291,521</u>
<b>TOTAL EXPENDITURES</b>	<u>72,390,700</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	405,216
<b>OTHER FINANCING SOURCES (USES) OF FUNDS</b>	<u>-</u>
<b>DEFICIT OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES OF FUNDS</b>	405,216
<b>FUND BALANCE - BEGINNING</b>	<u>7,809,905</u>
<b>FUND BALANCE - ENDING</b>	<u><u>\$ 8,215,121</u></u>

THE TOWNSHIP OF UPPER DARBY

STATEMENT OF SEWER ASSESSMENTS  
SEWER RENTAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2017

**Current Assessments**

Original bills	\$ 7,551,954
Less: Collections face	<u>6,215,929</u>

**BALANCE 2017 SEWER FUND ASSESSMENTS  
RECEIVABLE AT DECEMBER 31, 2017**

\$ 1,336,025

**Delinquent and Liened Assessments**

Beginning balance	\$ 3,239,323
Add: 2016 assessments unpaid at January 1, 2017	<u>1,358,588</u>

Less: Collections face - net adjustment 1,111,248

**BALANCE PRIOR YEARS AT DECEMBER 31, 2017**

\$ 3,486,663

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, 2017

	SENIOR CENTER		USDA	TOTAL	
	BUDGET	ACTUAL	PROGRAM ACTUAL	BUDGET	ACTUAL
<b>REVENUES</b>					
Delaware County Office Services for the Aging (COSA)	\$ 291,937	\$ 276,608	\$ -	\$ 291,937	\$ 276,608
Nutrition Services Incentive	-	-	-	-	-
Township of Upper Darby and program income	325,173	204,236	-	325,173	204,236
Total revenues	617,110	480,844	-	617,110	480,844
<b>EXPENDITURES</b>					
Personnel	343,035	220,329	-	343,035	220,329
Fringe	77,575	90,956	-	77,575	90,956
Occupancy**	129,000	129,087	-	129,000	129,087
Communications	23,500	-	-	23,500	-
Transportation	19,000	40,472	-	19,000	40,472
Contract services	25,000	-	-	25,000	-
Other expenses	-	-	-	-	-
Deli meals	-	-	-	-	-
Total expenditures	617,110	480,844	-	617,110	480,844
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>					
	\$ -	\$ -	\$ -	\$ -	\$ -

\*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

SUPPLEMENTAL INFORMATION

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

PROGRAM YEAR 2013 - CDBG NO. B-13-MC-42-0015

STATEMENT OF SOURCE AND STATUS OF FUNDS  
FOR THE PERIOD OCTOBER 1, 2013 THROUGH DECEMBER 31, 2017

	<u>GRANT AMOUNT</u>
Total program year 2013 funds	\$1,362,348
Emergency shelter funds	153,808
	<u>1,516,156</u>
Less: Total program year 2013 funds drawdown by recipient	<u>1,516,156</u>
	-
Program funds still available to program year 2013	-
Program income applicable to program year 2013	<u>105,616</u>
	-
Program year 2013 funds received	1,621,772
Total funds applied to prior year:	<u>\$ 1,621,772</u>
	1,621,772
Total program year 2013 funds held by recipient	<u>\$ -</u>
Total program year 2013 funds available for disposition	<u>\$ -</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS-CDBG NO. B-13-MC-42-0015  
PROGRAM YEAR 2013 - PROGRAM YEAR PERIOD OCTOBER 1, 2013 TO SEPTEMBER 30, 2015  
STATEMENT OF PROGRAM COSTS  
FOR THE PERIOD: OCTOBER 1, 2013 THROUGH DECEMBER 31, 2017

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/17	EXPENDITURES CUMULATIVE 12/31/17	QUESTIONED COSTS 12/31/17
1. Fair housing outreach	\$ 5,000	\$ -	\$ 5,000	\$ -
2. Progressive team patrol	216,949	-	216,949	-
3. Street resurfacing	1,000	-	-	-
4. Code enforcement low/mod	100,000	-	100,000	-
5. OCHR emergency	125,000	-	125,000	-
6.. First time homebuyers	50,000	-	50,000	-
7. Renovations to Firehouse Westchester Pike	-	-	-	-
8. Renovations to Cardington Stonehurst Firehouse	24,630	-	24,630	-
9. Replacement of various street signs	11,333	-	11,333	-
10. Code enforcement slum/blight	16,974	-	16,974	-
11. Pavement reconstruction 69th St., Marshall, Walnut	-	-	-	-
12. 69th Street Pedestrian Crosswalk and Bus Lane Reconstruction	-	-	-	-
13. Police Station Lighting Upgrades	28,727	-	28,727	-
14. Capital Improvements CAA Shelter	49,944	-	49,944	-
15. Sellers Halls Renovations	-	-	-	-
16. Comprehensive Plan *	120,000	2,687	112,744	-
17. Accessibility Upgrade	29,984	-	29,884	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	200,000	-	201,079	-
Administrative	100,000	-	100,000	-
Subtotal	1,079,541	2,687	1,072,264	-
Contingencies and/or local option activities*	-	-	-	-
TOTAL	<u>\$ 1,079,541</u>	<u>\$ 2,687</u>	<u>\$ 1,072,264</u>	<u>\$ -</u>

\* Rebudget during fiscal year

**THE TOWNSHIP OF UPPER DARBY**  
**SUPPLEMENTAL INFORMATION**  
**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**  
**PROGRAM YEAR 2014 - CDBG NO. B-14-MC-42-0015**  
**FOR THE PERIOD OCTOBER 1, 2014 THROUGH DECEMBER 31, 2017**

		<u>GRANT AMOUNT</u>
Total program year 2014 funds		\$1,446,286
Less: Total program year 2014 funds drawdown by recipient		<u>1,446,286</u>
Program funds still available to program year 2014		-
Program income applicable to program year 2014		<u>100,257</u>
Program year 2014 funds received		1,546,543
Total funds applied to prior year	\$ 1,514,085	
	2014 <u>32,458</u>	<u>1,546,543</u>
Total program year 2014 funds held by recipient		<u>\$ -</u>
Total program year 2014 funds available for disposition		<u>\$ -</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS-CDBG NO. B-13-MC-42-0015  
PROGRAM YEAR 2014 - PROGRAM YEAR PERIOD OCTOBER 1, 2014 TO SEPTEMBER 30, 2015  
STATEMENT OF PROGRAM COSTS  
FOR THE PERIOD: OCTOBER 1, 2014 THROUGH DECEMBER 31, 2017

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/17	EXPENDITURES CUMULATIVE 12/31/17	QUESTIONED COSTS 12/31/17
1. Fair housing outreach	\$ 1,871	\$ -	\$ 1,871	\$ -
2. Progressive team patrol	216,943	-	216,943	-
3. Street resurfacing	311,731	-	311,731	-
4. Code enforcement low/mod	99,994	-	99,994	-
5. OOHR emergency	84,354	-	84,354	-
6. First time homebuyers	80,290	-	80,290	-
7. Cobbs Creek Interceptor Sewer Cast Pipe	327,134	-	327,134	-
8. Construction of Salt Bin 6810 Montgomery	61,441	-	61,441	-
9. Update Intersection Pedestrian Signals/LED	200,000	-	200,000	-
10. Code enforcement slum/blight *	8,024	-	8,024	-
11. Façade Marquee Improvement 7000 Terminal*	14,672	-	14,672	-
12. Reconstruction retaining wall at Watkins Ave*	-	-	-	-
13. Drainage improvements 6800 Montgomery Ave*	35,000	32,498	34,814	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP***	448,816	-	448,816	-
Administrative*	112,666	-	112,666	-
Subtotal	2,002,936	32,498	2,002,750	-
Contingencies and/or local option activities*	-	-	-	-
<b>TOTAL</b>	<b>\$ 2,002,936</b>	<b>\$ 32,498</b>	<b>\$ 2,002,750</b>	<b>\$ -</b>



THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

PROGRAM YEAR 2015 - CDBG NO. B-15-MC-42-0015

STATEMENT OF SOURCE AND STATUS OF FUNDS  
FOR THE PERIOD OCTOBER 1, 2015 THROUGH DECEMBER 31, 2017

	<u>GRANT AMOUNT</u>
Total program year 2015 funds	\$1,424,124
Less: Total program year 2015 funds drawdown by recipient	<u>1,424,124</u>
Program funds still available to program year 2015	-
Program income applicable to program year 2015	<u>78,162</u>
Program year 2015 funds received	1,502,286
Total funds applied:	
2015 \$ 196,817	
2016 <u>583,206</u>	<u>780,023</u>
Total program year 2015 funds held by recipient	<u>\$ -</u>
Total program year 2015 funds available for disposition	<u>\$ -</u>

**COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS-CDBG NO. B-13-MC-42-0015**  
**PROGRAM YEAR 2015 - PROGRAM YEAR PERIOD OCTOBER 1, 2015 TO SEPTEMBER 30, 2016**  
**STATEMENT OF PROGRAM COSTS**  
**FOR THE PERIOD: OCTOBER 1, 2015 THROUGH DECEMBER 31, 2017**

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/17	EXPENDITURES CUMULATIVE 12/31/17	QUESTIONED COSTS 12/31/17
1. Fair housing outreach*	\$ 6,090	\$ 1,776	\$ 6,090	\$ -
2. Progressive team patrol	213,618	-	213,618	-
3. Street resurfacing	201,251	-	201,251	-
4. Code enforcement low/mod	100,006	3,186	100,006	-
5. OHR emergency	75,000	-	73,016	-
6.. First time homebuyers	161,306	-	161,306	-
7. Cobbs Creek Interceptor Sewer Cast Pipe*	196,975	7,811	24,968	-
8. 69th Street Pedestrian Crosswalk and Bus Lane Reconstruction	3,025	-	3,025	-
9. New LED street lights*	205,529	134,304	179,112	-
10. PAL LED lights	4,469	-	4,469	-
Rehabilitation loans/grants				
Neighborhood improvement HICCP	250,000	47,758	197,512	-
Administrative	127,207	-	127,207	-
Subtotal	1,544,476	194,835	1,291,580	-
Contingencies and/or local option activities*	-	-	-	-
<b>TOTAL</b>	<b>\$ 1,544,476</b>	<b>\$ 194,835</b>	<b>\$ 1,291,580</b>	<b>\$ -</b>

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

PROGRAM YEAR 2016 - CDBG NO. B-16-MC-42-0015

STATEMENT OF SOURCE AND STATUS OF FUNDS  
FOR THE PERIOD OCTOBER 1, 2016 THROUGH DECEMBER 31, 2017

	<u>GRANT AMOUNT</u>
Total program year 2016 funds	\$1,419,229
Less: Total program year 2016 funds drawdown by recipient	<u>369,550</u>
	-
Program funds still available to program year 2015	1,049,679
Program income applicable to program year 2015	<u>-</u>
Program year 2015 funds received	369,550
Total funds applied:	
2016 \$ 272,247	
2017 <u>97,303</u>	<u>369,550</u>
Total program year 2015 funds held by recipient	<u>\$ -</u>
Total program year 2015 funds available for disposition	<u>\$ -</u>

SUPPLEMENTAL INFORMATION

THE TOWNSHIP OF UPPER DARBY  
 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS-CDBG NO. B-13-MC-42-0015  
 PROGRAM YEAR 2016 - PROGRAM YEAR PERIOD OCTOBER 1, 2016 TO SEPTEMBER 30, 2017  
 STATEMENT OF PROGRAM COSTS  
 FOR THE PERIOD: OCTOBER 1, 2016 THROUGH DECEMBER 31, 2017

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/17	EXPENDITURES CUMULATIVE 12/31/17	QUESTIONED COSTS 12/31/17
1. Fair housing outreach*	\$ 7,039	\$ 2,042	\$ 2,042	\$ -
2. Long Lane beautification*	5,000	182	182	-
3. Street resurfacing	200,000	149,333	149,333	-
4. Code enforcement low/mod	100,000	57,605	85,058	-
5. OOHR emergency*	172,227	172,227	172,227	-
6.. First time homebuyers	100,000	98,525	99,782	-
7. LED retrofit for Watkins*	34,730	-	34,730	-
8. Public services CAADC*	-	-	-	-
9. Shared rides for seniors	4,000	123	123	-
10.Reconstruction of parking lot 6810 Montgomery*	208,879	12,129	20,879	-
11.Multi-cultural Community Family Services*	15,000	7,909	7,909	-
12. Fire headquarters entrance improvements*	15,000	-	-	-
13 Garrett Road streetscape improvements*	50,000	-	-	-
14. Upper Darby Community Outreach Corp*	15,000	5,550	-	-
15. CAA Shelter*	80,000	40,000	40,000	-
Rehabilitation loans/grants	-	-	-	-
Neighborhood Improvement HICCP*	450,000	169,109	169,109	-
Administrative*	183,346	139,983	183,346	-
Subtotal	1,640,221	854,717	964,720	-
Contingencies and/or local option activities	226,389	-	-	-
TOTAL	\$ 1,866,610	\$ 854,717	\$ 964,720	\$ -

THE TOWNSHIP OF UPPER DARBY

SUPPLEMENTAL INFORMATION

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

PROGRAM YEAR 2017 - CDBG NO. B-15-MC-42-0015

STATEMENT OF SOURCE AND STATUS OF FUNDS  
FOR THE PERIOD OCTOBER 1, 2017 THROUGH DECEMBER 31, 2017

	<u>GRANT AMOUNT</u>
Total program year 2017 funds	\$1,471,534
Less: Total program year 2016 funds drawdown by recipient	<u>-</u>
Program funds still available to program year 2017	1,471,534
Program income applicable to program year 2017	<u>-</u>
Program year 2017 funds received	-
Total funds applied:	<u>\$ -</u>
Total program year 2015 funds held by recipient	<u>\$ -</u>
Total program year 2015 funds available for disposition	<u>\$ -</u>

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS-CDBG NO. B-13-MC-42-0015  
PROGRAM YEAR 2017- PROGRAM YEAR PERIOD OCTOBER 1, 2017 TO SEPTEMBER 30, 2018  
STATEMENT OF PROGRAM COSTS  
FOR THE PERIOD: OCTOBER 1, 2017 THROUGH DECEMBER 31, 2017

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PERIOD ENDED 12/31/17	EXPENDITURES CUMULATIVE 12/31/17	QUESTIONED COSTS 12/31/17
1. Fair housing outreach	\$ 2,500	\$ -	\$ -	\$ -
2. Reconstruction of RCP Storm Sewer Culvert	75,000	-	-	-
3. Street resurfacing	150,000	-	-	-
4. Code enforcement low/mod	70,000	-	-	-
5. OOHR priority rehabilitation	75,000	40,945	40,945	-
6. First time homebuyers	75,000	34,175	34,175	-
7. Reconstruction Chatham Ave sanitary sewer manhole	100,000	-	-	-
8. ADA compliant elevator at public safety building	25,000	-	-	-
9. Replacement of generator at public safety building	75,000	-	-	-
10. Cobbs Creek interceptor sewer cast in place pipe	150,000	-	20,879	-
11. Multi-cultural Community Family Services*	75,000	-	-	-
12. Fire headquarters entrance improvements*	-	-	-	-
13. Garrett Road streetscape improvements	50,000	-	-	-
14. Upper Darby Community Outreach Corp	15,000	-	-	-
15. CAA Shelter	14,000	-	-	-
Rehabilitation loans/grants	-	-	-	-
Neighborhood improvement HICCP	370,000	-	-	-
Administrative	135,000	22,184	22,184	-
Subtotal	1,456,500	97,304	118,183	-
Contingencies and/or local option activities	15,000	-	-	-
<b>TOTAL</b>	<b>\$ 1,471,500</b>	<b>\$ 97,304</b>	<b>\$ 118,183</b>	<b>\$ -</b>