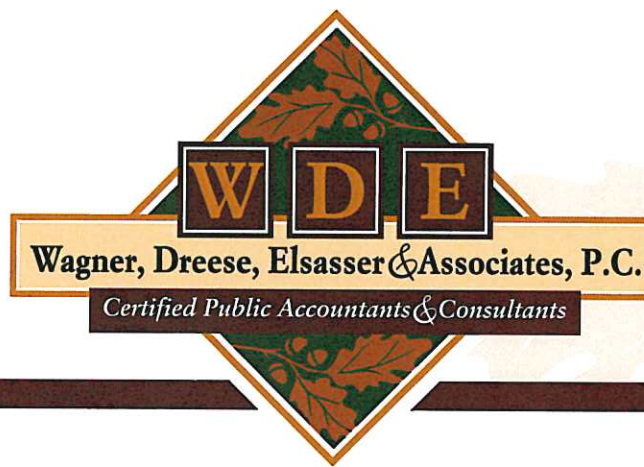


2017 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

470215 MAHONING TWP, MONTAUR COUNTY



KENNETH L. WAGNER, JR., CPA
kwagner@wdeapc.com
Principal

RONALD P. DREESE, CPA/PFS
rdreese@wdeapc.com
Principal

BRIAN L. ELSASSER, CPA/CVA
belsasser@wdeapc.com
Principal

Licensed CPAs

RICHARD L. BARLETT, JR., CPA
ALICE M. FREER, CPA
MICHAEL L. FULLER, CPA
GEORGE J. GEIB, CPA
JERRY L. McCLELLAN, CPA
KERMIT R. RITTER, CPA
DOUGLAS A. WINNER, CPA

Office Locations

1372 N. SUSQUEHANNA TRAIL
SUITE 210
SELINGROVE, PA 17870
(570) 743-2030

BROOKPARK STATION
2370 OLD TURNPIKE ROAD
SUITE 1
LEWISBURG, PA 17837
(570) 524-0488

247 FILBERT STREET
MILTON, PA 17847
(570) 742-2613

219 MAIN STREET
P.O. BOX 257
BENTON, PA 17814
(570) 925-2018

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Mahoning Township
Danville, PA

We have audited the accompanying Annual Report of Municipal Authorities (DCED - CLGS - 30) for Mahoning Township, as of and for the year ended December 31, 2017, as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these annual reports in accordance with the financial reporting provisions of Pennsylvania Department of Community and Economic Development. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual reports. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual reports, 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 annual reports 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 annual reports.

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

The accompanying annual report is prepared in conformity with the accounting practices prescribed or permitted by the state in which they were filed, which is a comprehensive basis of accounting other than generally accepted accounting principles. It is not intended to be a complete presentation of the Township's assets, liabilities, revenues and expenses on the basis described.

Opinion

In our opinion, the annual report referred to above present fairly, in all material respects, the financial position of the Mahoning Township for the year ended December 31, 2017 on the basis of accounting described in the sixth paragraph.

Basis of Accounting

We draw attention to the sixth paragraph, which describes the basis of accounting. The annual reports are prepared on the basis of the financial reporting provisions of Pennsylvania Department of Community and Economic Development, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of Pennsylvania Department of Community and Economic Development. Our opinion is not modified with respect to that matter.

Restriction on Use

This report is intended solely for the information and use of the board members and management of Mahoning Township and for filing with Pennsylvania Department of Community and Economic Development Center for Local Government Services. However, this report is a matter of public record and its distribution is not limited.

Wagner, Drees, Elsasser & Associates, P.C.

WAGNER, DREESE, ELSASSER & ASSOCIATES, P.C.

Certified Public Accountants and Consultants

Selinsgrove, PA

February 12, 2018



BALANCE SHEET

DCED-CLGS-30 (09-09)

MAHONING TWP, MONTOUR County

BALANCE SHEET

December 31, 2017

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Assets and Other Debits											
100-120	Cash and Investments	1,634,385	517,730			2,156,709					4,308,824
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds	673,500									673,500
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets										
180-189	Other Debits										
Total Assets and Other Debits		2,307,885	517,730			2,156,709					4,982,324
Liabilities and Other Credits											
210-229	Payroll Taxes and Other Payroll Withholdings										
200-209, 231-239	All Other Current Liabilities	98,535				62,595					161,130
230.00	Due To Other Funds					673,500					673,500

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY	4,982,324
--	------------------

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Taxes									
301.00	Real Estate Taxes	463,184	75,771						538,955
305.00	Occupation Taxes (levied under municipal code)								
308.00	Residence Taxes (levied by cities of the 3rd Class)								
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)								
310.00	Per Capita Taxes	21,100							21,100
310.10	Real Estate Transfer Taxes	87,766							87,766
310.20	Earned Income Taxes / Wage Taxes	1,008,884							1,008,884
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	576,792							576,792
310.60	Amusement / Admission Taxes								
310.70	Mechanical Device Taxes								
310.90	Other: _____								
	Other: _____								
Total Taxes		2,157,726	75,771						2,233,497

Licenses and Permits									
320-322	All Other Licenses and Permits	117,835							117,835
321.80	Cable Television Franchise Fees	47,841							47,841
Total Licenses and Permits		165,676							165,676

Fines and Forfeits									
330-332	Fines and Forfeits	31,507							31,507
Total Fines and Forfeits		31,507							31,507

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Interest, Rents and Royalties								
341.00	Interest Earnings	19,211	5,152			22,466		46,829
342.00	Rents and Royalties	250						250
Total Interest, Rents and Royalties		19,461	5,152			22,466		47,079

Federal								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements							
353.00	Federal Payments in Lieu of Taxes							
Total Federal								

State								
354.03	Highways and Streets							
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants	2,692						2,692
355.01	Public Utility Realty Tax (PURTA)	2,144						2,144
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		159,552					159,552
355.04	Alcoholic Beverage Licenses							
355.05	General Municipal Pension System State Aid	73,412						73,412
355.07	Foreign Fire Insurance Tax Distribution	28,846						28,846
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution							

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

State								
355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes							
Total State		107,094	159,552					266,646

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants				2,719,629			2,719,629
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes	257,165						257,165
Total Local Government Units		257,165			2,719,629			2,976,794

Charges for Service								
361.00	General Government							
362.00	Public Safety	53,809						53,809
363.20	Parking	3,725						3,725
363.00	All Other Charges for Highway & Street Services							
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)	26,172			1,115,028			1,141,200
364.30	Solid Waste Collection and Disposal Charge (trash)	194						194
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System				761,279			761,279
379.00	All Other Charges for Service	689						689
Total Charges for Service		84,589			1,876,307			1,960,896

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	3,326						3,326
388.00	Fiduciary Fund Pension Contributions							
389.00	All Other Unclassified Operating Revenues	566			15,123			15,689
Total Unclassified Operating Revenues		3,892			15,123			19,015

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	17,362						17,362
392.00	Interfund Operating Transfers	2,410			673,500			675,910
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	161,563						161,563
Total Other Financing Sources		181,335			673,500			854,835

TOTAL REVENUES	3,008,445	240,475			5,307,025			8,555,945
-----------------------	-----------	---------	--	--	-----------	--	--	-----------

EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	15,386			4,519			19,905
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	12,290						12,290
403.00	Tax Collection	67,891						67,891
404.00	Solicitor / Legal Services	88,876			1,400,001			1,488,877
405.00	Secretary / Clerk	92,261						92,261
406.00	Other General Government Administration	16,783						16,783
407.00	IT-Networking Services-Data Processing	36,297						36,297
408.00	Engineering Services	32,916						32,916
409.00	General Government Buildings and Plant	52,830						52,830
Total General Government		415,530			1,404,520			1,820,050

Public Safety								
410.00	Police	495,781						495,781
411.00	Fire	28,846	19,117					47,963
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	86,398						86,398

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Safety								
414.00	Planning and Zoning	41,718						41,718
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
Total Public Safety		652,743	19,117					671,860

Health and Human Services								
420.00-425.00	Health and Human Services							
Total Health and Human Services								

Public Works - Sanitation								
426.00	Recycling Collection and Disposal	4,911						4,911
427.00	Solid Waste Collection and Disposal (garbage)							
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection	90			1,166,501			1,166,591
Total Public Works - Sanitation		5,001			1,166,501			1,171,502

Public Works - Highways and Streets								
430.00	General Services - Administration	301,475						301,475
431.00	Cleaning of Streets and Gutters	3,074						3,074
432.00	Winter Maintenance – Snow Removal	13,497						13,497
433.00	Traffic Control Devices	4,659						4,659
434.00	Street Lighting		5,980					5,980

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Works - Highways and Streets									
435.00	Sidewalks and Crosswalks								
436.00	Storm Sewers and Drains	11,857							11,857
437.00	Repairs of Tools and Machinery	14,868							14,868
438.00	Maintenance and Repairs of Roads and Bridges	34,295							34,295
439.00	Highway Construction and Rebuilding Projects	19,714	160,537						180,251
Total Public Works - Highways and Streets		403,439	166,517						569,956

Other Public Works Enterprises									
440.00	Airports								
441.00	Cemeteries								
442.00	Electric System								
443.00	Gas System								
444.00	Markets								
445.00	Parking								
446.00	Storm Water and Flood Control								
447.00	Transit System								
448.00	Water System				549,970				549,970
449.00	Water Transport and Terminals								
Total Other Public Works Enterprises					549,970				549,970

Culture and Recreation									
451.00	Culture-Recreation Administration								
452.00	Participant Recreation								
453.00	Spectator Recreation								
454.00	Parks								

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Culture and Recreation									
455.00	Shade Trees	5,400							5,400
456.00	Libraries								
457.00	Civil and Military Celebrations								
458.00	Senior Citizens' Centers								
459.00	All Other Culture and Recreation								
Total Culture and Recreation		5,400							5,400

Community Development									
461.00	Conservation of Natural Resources								
462.00	Community Development and Housing								
463.00	Economic Development								
464.00	Economic Opportunity								
465-469	All Other Community Development								
Total Community Development									

Debt Service									
471.00	Debt Principal (short-term and long-term)								
472.00	Debt Interest (short-term and long-term)								
475.00	Fiscal Agent Fees								
Total Debt Service									

Employer Paid Benefits and Withholding Items									
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	69,040							69,040
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	249,818							249,818

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2017

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Employer Paid Benefits and Withholding Items

484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits	511,312						511,312
Total Employer Paid Benefits and Withholding Items		830,170						830,170

Insurance

486.00	Insurance, Casualty, and Surety	127,227						127,227
Total Insurance		127,227						127,227

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid							
489.00	All Other Unclassified Expenditures	853			29,325			30,178
Total Unclassified Operating Expenditures		853			29,325			30,178

Other Financing Uses

491.00	Refund of Prior Year Revenues	140						140
492.00	Interfund Operating Transfers	673,500	2,410					675,910
493.00	All Other Financing Uses							
Total Other Financing Uses		673,640	2,410					676,050

TOTAL EXPENDITURES

3,114,003	188,044			3,150,316			6,452,363
-----------	---------	--	--	-----------	--	--	-----------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

-105,558	52,431			2,156,709			2,103,582
----------	--------	--	--	-----------	--	--	-----------

MAHONING TWP
December 31, 2017

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
Revenue Bonds and Notes											
Lease Rental Debt											
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding

0

Capitalized lease obligations

0

Net debt

0

MAHONING TWP, MONTGOMERY County
STATEMENT OF CAPITAL EXPENDITURES

December 31, 2017

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	16,624		16,624
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police			
Recreation			
Sewer		62,510	62,510
Solid Waste			
Streets / Highways	60,290	19,714	80,004
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	76,914	82,224	159,138

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)


886,422

I/We, the undersigned, the duly elected (or appointed replacement), qualified, and Acting Controller/Auditors of the MAHONING TWP have audited, adjusted and settled the various funds and account groups of the MAHONING TWP for the year ended December 31, 2017. My/Our audit, adjustment and settlement was made in accordance with law rather than with generally accepted auditing standards

This municipality's policy is to prepare its financial statements on the basis of cash receipts and disbursements; consequently, certain revenues and the related assets are recognized when received rather than when earned, and certain expenditures or expenses are recognized when paid rather than when a liability is incurred. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations of this municipality in conformity with generally accepted accounting principles.

In my/our opinion, the aforementioned financial statements present the financial position of the various funds and account groups of the municipality of MAHONING TWP for the year ended December 31, 2017, and the results of operations of such funds in accordance with the law.

Signed:



Signed: _____
Witness (Controller)/Auditor (Auditors)

December 31, 2017

NOTES / COMMENTS

The enterprise/proprietary fund activity runs from February 3, 2017 thru December 31, 2017. The township dissolved the authority as of February 2, 2017.

Line 357.00 was used per conversation with DCED staff to record incoming fund balance. The township dissolved the water and sewer authority and took over operations as of February 3, 2017.