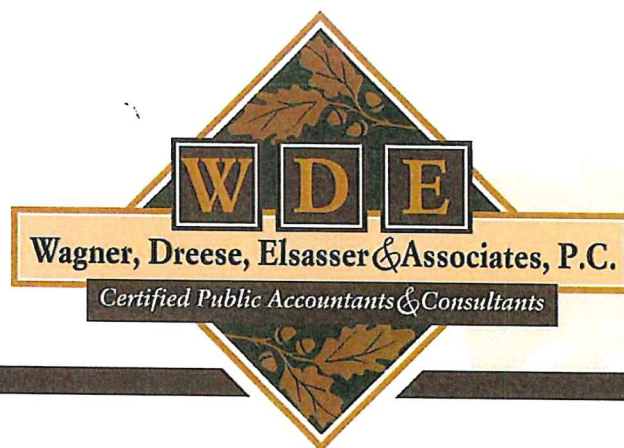


2019 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT

470215 MAHONING TWP, MONTOUR COUNTY



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INDEPENDENT AUDITOR'S REPORT

To the Township Supervisors
Mahoning Township, Montour County
Danville, Pennsylvania

We have audited the accompanying financial statements of Mahoning Township, which comprise the Balance Sheet as of December 31, 2019, and the related Statement of Revenues and Expenditures, the Debt Statement, and the Statement of Capital Expenditures for the year then ended as presented in the Department of Community & Economic Development (DCED) Municipal Annual Audit and Financial Report.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of DCED. 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 financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the Balance Sheet of Mahoning Township, as of December 31, 2019, and the Statement of Revenues and Expenditures, the Debt Statement, and the Statement of Capital Expenditures for the year then ended, in accordance with the financial reporting provisions of DCED.

Basis of Accounting

The financial statements are prepared on the basis of the financial reporting provisions of DCED, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of DCED. Our opinion is not modified with respect to this matter.

Restriction on Use

This report is intended solely for the information and use of management, Township Supervisors, others within Mahoning Township and DCED and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Wagner, Drees, Elsassert Associates, P.C." in a cursive, flowing script.

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

Certified Public Accountants and Consultants

January 31, 2020

Selinsgrove, Pennsylvania

BALANCE SHEET

December 31, 2019

		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	13,931,938	652,503			14,828					14,599,269
140-144	Tax Receivable										
121-129, 145-149	Accounts Receivable (excluding taxes)										
130.00	Due From Other Funds										
131-139, 150-159	Other Current Assets										
160-169	Fixed Assets										
180-189	Other Debits										
Total Assets and Other Debits		13,931,938	652,503			14,828					14,599,269

[illegible]

14,599,269

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES
December 31, 2019

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	472,434	77,914						550,348
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	636							636
310.10	Real Estate Transfer Taxes	169,603							169,603
310.20	Earned Income Taxes / Wage Taxes	1,065,296							1,065,296
310.30	Business Gross Receipts Taxes								
310.40	Occupation Taxes (levied under Act 511)								
310.50	Local Services Tax **	588,087							588,087
310.60	Amusement / Admission Taxes								
310.70	Mechanical Device Taxes								
310.90	Other: _____								
	Other: _____								
Total Taxes		2,296,056	77,914						2,373,970

Licenses and Permits									
320-322	All Other Licenses and Permits	178,615							178,615
321.80	Cable Television Franchise Fees	45,544							45,544
Total Licenses and Permits		224,159							224,159

Fines and Forfeits									
330-332	Fines and Forfeits	26,807							26,807
Total Fines and Forfeits		26,807							26,807

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	241,690	16,120			32,042			289,852
342.00	Rents and Royalties	250							250
Total Interest, Rents and Royalties		241,940	16,120			32,042			290,102

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	2,458							2,458
355.01	Public Utility Realty Tax (PURTA)	2,076							2,076
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		171,070						171,070
355.04	Alcoholic Beverage Licenses	1,400							1,400
355.05	General Municipal Pension System State Aid	97,289							97,289
355.07	Foreign Fire Insurance Tax Distribution	28,647							28,647
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, 2019

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	216,619							216,619
Total State		348,489	171,070						519,559

Local Government Units									
357.03	Highways and Streets								
357.00	All Other Local Governmental Units Capital and Operating Grants								
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services								
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes								
Total Local Government Units									

Charges for Service									
361.00	General Government								
362.00	Public Safety	78,701							78,701
363.20	Parking	18,185							18,185
363.00	All Other Charges for Highway & Street Services								
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)	1,210				629,484			630,694
364.30	Solid Waste Collection and Disposal Charge (trash)	663							663
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, 2019

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				430,346				430,346
379.00	All Other Charges for Service								
Total Charges for Service		98,759			1,059,830				1,158,589

Unclassified Operating Revenues									
383.00	Special Assessments								
386.00	Escheats (sale of personal property)								
387.00	Contributions and Donations from Private Sectors	2,189							2,189
388.00	Fiduciary Fund Pension Contributions								
389.00	All Other Unclassified Operating Revenues	4,513							4,513
Total Unclassified Operating Revenues		6,702							6,702

Other Financing Sources									
391.00	Proceeds of General Fixed Asset Disposition	20,586				9,486,911			9,507,497
392.00	Interfund Operating Transfers	11,999,522	600						12,000,122
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, 2019

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	106,381						106,381
Total Other Financing Sources		12,126,489	600			9,486,911		21,614,000

TOTAL REVENUES	15,369,401	265,704			10,578,783			26,213,888
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EXPENDITURES

General Government								
400.00	Legislative (Governing) Body	29,207			2,669			31,876
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	14,530						14,530
403.00	Tax Collection	53,602						53,602
404.00	Solicitor / Legal Services	55,660						55,660
405.00	Secretary / Clerk	84,261						84,261
406.00	Other General Government Administration	16,696						16,696
407.00	IT-Networking Services-Data Processing	36,616						36,616
408.00	Engineering Services	126,792			18,883			145,675
409.00	General Government Buildings and Plant	128,827						128,827
Total General Government		546,191			21,552			567,743

Public Safety								
410.00	Police	707,820						707,820
411.00	Fire	31,326	18,650					49,976
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement	90,845						90,845

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	91,283							91,283
415.00	Emergency Management and Communications								
416.00	Militia and Armories								
417.00	Examination of Licensed Occupations	70							70
418.00	Public Scales (weights and measures)								
419.00	Other Public Safety								
Total Public Safety		921,344	18,650						939,994

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	3,517							3,517
427.00	Solid Waste Collection and Disposal (garbage)								
428.00	Weed Control								
429.00	Wastewater / Sewage Treatment and Collection	21,637				649,509			671,146
Total Public Works - Sanitation		25,154				649,509			674,663

Public Works - Highways and Streets									
430.00	General Services - Administration	527,568							527,568
431.00	Cleaning of Streets and Gutters	5,616							5,616
432.00	Winter Maintenance – Snow Removal	25,335							25,335
433.00	Traffic Control Devices	8,397							8,397
434.00	Street Lighting	2,503	5,557						8,060

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	108,079							108,079
437.00	Repairs of Tools and Machinery	25,967							25,967
438.00	Maintenance and Repairs of Roads and Bridges	48,914							48,914
439.00	Highway Construction and Rebuilding Projects	72,423	167,349						239,772
Total Public Works - Highways and Streets		824,802	172,906						997,708

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					200,536			200,536
449.00	Water Transport and Terminals								
Total Other Public Works Enterprises						200,536			200,536

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, 2019

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	2,350							2,350
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		2,350							2,350

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	76,479							76,479
482.00	Judgments and Losses								
483.00	Pension / Retirement Fund Contributions	262,279							262,279

MAHONING TWP, MONTOUR County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2019

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	618,695							618,695
Total Employer Paid Benefits and Withholding Items		957,453							957,453

Insurance

486.00	Insurance, Casualty, and Surety	120,954							120,954
Total Insurance		120,954							120,954

Unclassified Operating Expenditures

488.00	Fiduciary Fund Benefits and Refunds Paid								
489.00	All Other Unclassified Expenditures	914							914
Total Unclassified Operating Expenditures		914							914

Other Financing Uses

491.00	Refund of Prior Year Revenues								
492.00	Interfund Operating Transfers	600	3,288			11,996,234			12,000,122
493.00	All Other Financing Uses								
Total Other Financing Uses		600	3,288			11,996,234			12,000,122

TOTAL EXPENDITURES

3,399,762	194,844			12,867,831				16,462,437
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES

11,969,639	70,860			-2,289,048				9,751,451
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MAHONING TWP
December 31, 2019

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, 2019

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government	35,805		35,805
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	14,223		14,223
Recreation			
Sewer			
Solid Waste			
Streets / Highways	189,412		189,412
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	239,440		239,440

EMPLOYEE COMPENSATION

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

1,162,650

Independent Public Accountant/Certified Public Accountant Submission Page
Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed: Kenneth L. Wagner, Jr., Appointed Auditor/CPA
CPA

December 31, 2019

NOTES / COMMENTS

MAHONING TOWNSHIP SETTLED ON THE SALES AGREEMENT WITH SUEZ WATER PENNSYLVANIA IN THE AMOUNT OF \$9,486,911 FOR THE SEWER AND WATER SYSTEM