

**SMITHFIELD TOWNSHIP,
MONROE COUNTY, PENNSYLVANIA
FINANCIAL STATEMENTS
DECEMBER 31, 2018**

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INDEPENDENT AUDITORS' REPORT

To the Board of Supervisors
Smithfield Township
East Stroudsburg, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Smithfield Township, Monroe County, Pennsylvania as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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 unit, each major fund, and the aggregate remaining fund information of Smithfield Township, Pennsylvania, as of December 31, 2018, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Smithfield Township's management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 27 and 28 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 Smithfield Township's basic financial statements. The combining and individual nonmajor fund financial statements and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Kirk, Summa & Co., LLP

East Stroudsburg, Pennsylvania
September 10, 2019

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
GOVERNMENT-WIDE STATEMENT OF NET POSITION
DECEMBER 31, 2018**

	Governmental Activities	Component Unit Sewer Authority
ASSETS		
Current Assets:		
Cash	\$ 3,279,053	\$ 1,995,680
PLGIT cash	-	100
Receivables (net of allowance for doubtful accounts):		
Taxes	50,392	-
Engineer and legal fees	8,817	-
Sewer user fees	-	801,959
Due from Smithfield Sewer Authority- current portion	415,000	-
Due from other funds	283	-
Due from other governments	10,924	-
Prepaid insurance	794	8,232
Total Current Assets:	3,765,263	2,805,971
Capital Assets:		
Land	130,527	-
Construction in progress	18,916	-
Buildings and contents	6,189,528	-
Land improvements	1,260,750	-
Vehicles	787,044	-
Office equipment	32,800	-
Machinery and equipment	692,653	-
Infrastructure	2,241,774	-
Sewer Authority capital assets	-	16,868,409
	11,353,992	16,868,409
Less: accumulated depreciation	(3,604,141)	(7,854,263)
Total Capital Assets, net	7,749,851	9,014,146
Other Assets:		
Due from Smithfield Sewer Authority, net of current portion	1,815,000	-
Original issue discount, net	17,103	13,547
Total Other Assets	1,832,103	13,547
Total Assets	\$ 13,347,217	\$ 11,833,664

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
GOVERNMENT-WIDE STATEMENT OF NET POSITION - continued
DECEMBER 31, 2018**

	Governmental Activities	Component Unit Sewer Authority
LIABILITIES AND NET POSITION		
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 12,394	\$ 60,732
Payroll taxes payable	1,978	-
Due from other funds	283	-
Accrued wages	15,243	-
Accrued interest	56,662	28,279
Unamortized bond premiums	33,129	57,339
Total Current Liabilities	119,689	146,350
Long-term Liabilities:		
Accrued compensated absences	104	-
Long-term debt:		
Due or payable within one year	676,000	147,528
Due or payable - capital lease - within one year	30,883	-
Due to Smithfield Township within one year	-	415,000
Due to Smithfield Township after one year	-	1,815,000
Due or payable after one year	3,915,000	2,512,343
Due or payable - capital lease - after one year	32,251	-
Total long-term debt	4,654,134	4,889,871
Total Long-term Liabilities	4,654,238	4,889,871
Total Liabilities	4,773,927	5,036,221
NET POSITION		
Contributed Capital - Sewer Authority	-	1,778,108
Invested in capital assets, net of related debt	3,158,851	4,124,275
Restricted	16,638	-
Unrestricted	5,397,801	895,060
	8,573,290	5,019,335
Total Net Position	8,573,290	6,797,443
Total Liabilities and Net Position	\$ 13,347,217	\$ 11,833,664

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Program Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets	Component Unit
		Fees, Fines and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
					Governmental Activities	Sewer Authority
Governmental activities:						
General government	\$ 365,248	\$ 16,002	\$ 4,421	\$ 5,006	\$ (339,819)	\$ -
Public safety and protective inspection	252,443	50,523	45,161	-	(156,759)	-
Public works - other	83,442	92,110	13,399	-	22,067	-
Highways and streets	1,106,024	-	338,445	-	(767,579)	-
Water system	784	-	-	-	(784)	-
Parks and recreation	57,946	-	9,000	2,857	(46,089)	-
Conservation of natural resources	9,489	-	-	-	(9,489)	-
Payroll taxes	38,411	-	-	-	(38,411)	-
Pension	23,514	-	25,468	-	1,954	-
Other employer paid benefits	249,622	-	-	-	(249,622)	-
Interest (unallocated)	59,165	-	-	-	(59,165)	-
Depreciation (unallocated)	293,666	-	-	-	(293,666)	-
Insurance	52,202	-	-	-	(52,202)	-
Miscellaneous	500	-	-	-	(500)	-
Total governmental activities	2,592,456	158,635	435,894	7,863	(1,990,064)	-
Business-type activities:						
Component unit - Sewer Authority	1,266,926	1,299,426	-	-	-	32,500
Total government	\$ 3,859,382	\$ 1,458,061	\$ 435,894	\$ 7,863	-	-
General Revenues:						
					1,585,703	-
					156,677	-
					535	-
					68,009	9,685
					18,241	-
					<u>1,829,165</u>	<u>9,685</u>
					(160,899)	42,185
					8,734,189	4,850,142
					-	127,008
					<u>\$ 8,573,290</u>	<u>\$ 5,019,335</u>

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
BALANCE SHEETS
GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	General Fund	Highway Fund	Special Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash	\$ 3,009,062	\$ 17,643	\$ 157,894	\$ 94,453	\$ 3,279,052
Taxes receivable	20,539	-	-	-	20,539
Professional fee reimbursements receivable	8,817	-	-	-	8,817
Due from other govts	10,924	-	-	-	10,924
Due from other funds	283	-	-	-	283
Total assets	<u>\$ 3,049,625</u>	<u>\$ 17,643</u>	<u>\$ 157,894</u>	<u>\$ 94,453</u>	<u>\$ 3,319,615</u>
Liabilities and Fund Balances					
Liabilities					
Accounts payable	\$ 10,595	\$ 1,005	\$ -	\$ 796	\$ 12,396
Payroll tax liabilities	1,978	-	-	-	1,978
Accrued wages	15,243	-	-	-	15,243
Deferred grant revenue	81,000	-	-	-	81,000
Due to other funds	-	-	-	283	283
Total Liabilities	<u>108,816</u>	<u>1,005</u>	<u>-</u>	<u>1,079</u>	<u>110,900</u>
Fund balances					
Restricted	-	16,638	-	-	16,638
Assigned	-	-	157,894	93,374	251,268
Unassigned	2,940,809	-	-	-	2,940,809
Total fund balances	<u>2,940,809</u>	<u>16,638</u>	<u>157,894</u>	<u>93,374</u>	<u>3,208,715</u>
Total liabilities and fund balances	<u>\$ 3,049,625</u>	<u>\$ 17,643</u>	<u>\$ 157,894</u>	<u>\$ 94,453</u>	<u>\$ 3,319,615</u>

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018**

Total fund balance - total governmental funds	\$	3,208,715
Amounts reported for governmental activities in the statement of net assets are different because:		
Real estate taxes receivable that are not reported as current financial resources because they are not deemed collectible within sixty days of the fiscal year end.		29,856
Prepaid insurance is not recorded on the governmental balance sheet because it is not completely expensed within the sixty days using the modified accrual basis of accounting.		794
Amounts due from the Smithfield Sewer Authority are not reported as current financial resources and are therefore not deemed collectible under the modified accrual basis of accounting.		2,230,000
Capital assets and land used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		11,353,992
Accumulated depreciation from capital assets used in governmental activities are not current financial resources and therefore is not reported in the governmental funds balance sheet.		(3,604,141)
Intangible other assets, net of accumulated amortization, used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		(16,026)
Accrued interest is not accrued in governmental-type funds.		(56,662)
Accrued compensated absences payable are not accrued in governmental-type funds.		(104)
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		
Due or payable within one year		(625,883)
Due or payable after one year		(3,947,251)
Net position of governmental activities	<u>\$</u>	<u>8,573,290</u>

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	General Fund	Highway Fund	Special Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 1,580,218	\$ -	\$ -	\$ -	\$ 1,580,218
Licenses, permits and fees	156,677	-	-	-	156,677
Fines, forfeitures and penalties	535	-	-	-	535
Interest	28,610	3,062	2,083	1,179	34,934
Rental Income	33,075	-	-	-	33,075
Intergovernmental	102,455	338,445	-	2,857	443,757
Charges for services	160,736	-	-	500	161,236
Miscellaneous	11,073	-	-	4,567	15,640
Total revenues	2,073,379	341,507	2,083	9,103	2,426,072
Other financing sources					
Interfund operating transfers in	-	-	-	40,146	40,146
Transfers from Authority for debt obligations	472,775	-	-	-	472,775
Total revenues and other financing sources	2,546,154	341,507	2,083	49,249	2,938,993
Expenditures					
General government	407,779	-	-	-	407,779
Public safety and protective inspection	252,443	-	-	-	252,443
Public works - other	83,442	-	-	-	83,442
Highways and streets	527,022	333,563	311,695	-	1,172,280
Water system	784	-	-	-	784
Parks and recreation	36,073	-	-	42,514	78,587
Conservation of natural resources	8,750	-	-	739	9,489
Debt service - principal	609,573	-	-	-	609,573
Debt service - interest	136,430	-	-	-	136,430
Payroll taxes	38,411	-	-	-	38,411
Pension	23,514	-	-	-	23,514
Insurance	54,132	-	-	-	54,132
Employee benefits	242,501	-	-	-	242,501
Miscellaneous	-	-	-	500	500
Total expenditures	2,420,854	333,563	311,695	43,753	3,109,865
Other financing uses					
Interfund operating transfers out	40,146	-	-	-	40,146
Total expenditures and other financing uses	2,461,000	333,563	311,695	43,753	3,150,011
Net change in fund balances	85,154	7,944	(309,612)	5,496	(211,018)
Fund balances at beginning of year	2,855,657	8,694	467,506	87,878	3,419,735
Fund balances at end of year	\$ 2,940,811	\$ 16,638	\$ 157,894	\$ 93,374	\$ 3,208,717

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

Net change in fund balances - total governmental funds	\$ (210,518)
Amounts reported for governmental activities in the statement of activities are different because:	
Accrual of real estate taxes receivable that are not accrued for the modified accrual basis of accounting.	5,484
Accrual of prepaid insurance is not recorded on the governmental funds statements because it is not expendable within the sixty days required under the modified accrual basis of accounting.	(40)
Government funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.	121,527
Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.	(293,666)
Amortization expense on intangible assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, amortization expense is not reported as expenditure in governmental funds.	1,514
Change in accrued interest that is not accrued for the modified accrual basis of accounting.	7,976
The amount of loan repayments from the Smithfield Sewer Authority recorded as revenues under the modified accrual basis of accounting.	(405,000)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net assets. This amount is the net effect of these differences on the treatment of long-term debt and related items:	
Repayment of principal portion of long-term debt.	609,573
Expenditures are recognized in the governmental funds when paid, however, the Statement of Activities is presented on an accrual basis and expenses are reported when incurred. This amount is the net effect of these differences:	
Compensated absences expense	2,249
	\$ (160,899)
Change in net assets of governmental activities	\$ (160,899)

See accompanying notes to basic financial statements.

SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
STATEMENTS OF FIDUCIARY NET POSITION
PENSION FUND
DECEMBER 31, 2018

	Non-Uniform Pension Fund
ASSETS	
Investments at fair value assets with PMRS	\$ 555,765
Township contributions receivable	-
TOTAL ASSETS	\$ 555,765
LIABILITIES	
Net assets held in trust for pension benefits	\$ 555,765

See accompanying notes to basic financial statements.

SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION
PENSION FUND
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Non-Uniform Pension Fund</u>
ADDITIONS	
Contributions	
Member	\$ 14,731
Municipal for Member	23,991
Total Contributions	<u>38,722</u>
Investment income	33,122
TOTAL ADDITIONS	<u>71,844</u>
DEDUCTIONS	
Administrative expense	200
Retiree benefits withdraw	6,397
TOTAL DEDUCTIONS	<u>6,597</u>
NET INCREASE IN NET POSITION	<u>65,247</u>
Net assets held in trust for pension benefits	
At beginning of year	<u>490,518</u>
At end of year	<u><u>\$ 555,765</u></u>

See accompanying notes to basic financial statements.

**SMITHFIELD SEWER AUTHORITY
MONROE COUNTY, PENNSYLVANIA
A COMPONENT UNIT OF SMITHFIELD TOWNSHIP
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018**

Cash flows from operating activities:	
Cash received from customers	\$ 1,310,675
Cash payments for goods and services	<u>(551,134)</u>
Net cash flows provided by operating activities	759,541
Cash flows from non-capital financing activities:	
Storm water settlement	(60,760)
EDU allocation fee	<u>(147,321)</u>
Net cash flows (used in) non-capital financing activities	(208,081)
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(61,130)
Repayment of portion of loan from Smithfield Township	(561,892)
Payment of interest on long-term debt	<u>(92,809)</u>
Net cash flows (used in) capital and related financing activities	(715,831)
Cash flows provided by investing activities:	
Interest earned on cash balances	<u>9,685</u>
Net cash provided by investing activities	<u>9,685</u>
Net decrease in cash	(154,686)
Cash - January 1	<u>2,150,466</u>
Cash - December 31	<u><u>\$ 1,995,780</u></u>
Reconciliation of income from operations to net cash provided by operating activities:	
Operating income	\$ 333,390
Adjustments to reconcile operating income to cash provided by operating activities:	
Items in operating income not affecting cash:	
Depreciation	414,900
Changes in current assets and liabilities:	
(Increase) in accounts receivable	(11,397)
Decrease in prepaid expenses	40
Decrease in unamortized bond discounts	3,781
Increase in accounts payable	40,397
(Decrease) in accrued debt interest	(5,569)
(Decrease) in unamortized bond premiums	<u>(16,001)</u>
Total adjustments	<u>426,151</u>
Net cash provided by operating activities	<u><u>\$ 759,541</u></u>

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
BALANCE SHEET
ESCROW FUND
DECEMBER 31, 2018**

ASSETS	
Cash	\$ 17,241
TOTAL ASSETS	<u>\$ 17,241</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Escrow Payable	\$ 17,241
FUND BALANCE	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 17,241</u>

See accompanying notes to basic financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

Smithfield Township was formed in 1742 and operates as a second-class township in Monroe County, Pennsylvania. It operates using a Board of Supervisors (three) as its governing body.

The Township has adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This statement is effective for periods beginning after December 15, 2011.

B. Financial Reporting Entity

The report includes all of the services provided by the Township to residents and businesses within its boundaries. Township services provided include general administrative services, public safety (fire), highways and streets, planning and zoning, and recreation and community services. The criteria for including organizations as component units within the Township's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The Township holds the corporate powers of the organization
- The Township appoints a voting majority of the organization's board
- The Township is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the Township
- There is fiscal dependency by the organization on the Township

Based on the aforementioned criteria, the Township has one component unit – Smithfield Sewer Authority. The financial statements of Smithfield Sewer Authority can be reviewed at the Township's municipal building with prior scheduling with the Authority's management.

C. Basis of Presentation

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the Township. The effect of interfund activity, within the governmental activities columns, has been removed from these statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The statement of activities demonstrates the degree to which the direct expenses of given functions or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) operating grants and contributions that are restricted to meeting the operational requirements of a particular function or segment or (3) capital grants and contributions that are restricted to meeting the capital requirement. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements:

The Township segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column. Governmental funds are those funds through which most governmental functions are typically financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The Township has presented the following major governmental funds:

General Fund - The General Fund is the main operating fund of the Township. This fund is used to account for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid through the General Fund.

Highway Fund – The Highway Fund accounts for the Township's Liquid Fuels and Highway allocations for maintenance of Township roadways.

Special Projects Fund – The Special Projects Fund accounts for the Township's revenues allocated for restoration and land improvement projects funded by federal, state, and local grants

D. Measurement Focus and Basis of Accounting

Measurement focus refers to what is being measured. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Township considers taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt services expenditures, as well as expenditures related to compensated absences are recorded only when payment has matured and will be payable shortly after year-end.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The revenues susceptible to accrual are taxes, licenses, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received, as they are deemed immaterial.

E. Budgetary Control

The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results, except for the effect of encumbrances and unrealized investment gains and losses, which are adjusted to the actual results for this comparison.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. At least 30 days prior to budget adoption, the Township prepares a proposed budget for the ensuing year.
2. Notification of the proposed budget and hearings on it are held by the Township prior to adoption.
3. Prior to December 31st, the budget is legally enacted by the Township and the tax levy ordinance is adopted.
4. The Township, during the budget year, is authorized to modify the budget through either budget transfers or supplemental appropriations.
5. The budget lapses at the end of the year.

Prior to December 31st, the budget is legally enacted by the Township and the tax levy ordinance is adopted.

F. Transactions Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of Governmental Funds.

G. Capital Assets

Capital assets, which include property, plant, and equipment, and infrastructure assets, are reported in the governmental-type activities columns in the government-wide financial. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized, not including infrastructure assets, have an original cost of \$1,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and plant	50 years
Machinery and equipment	5 years
Vehicles and transportation equipment	5 years
Infrastructure	15-50 years

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

G. Compensated Absences

The Township's policy for accrual of compensated absences is to allow full-time employees to accrue a maximum of five days of vacation time, which must be used by March 31 of the subsequent year. The value of compensated absences at the end of the year is calculated by multiplying the number of accumulated hours by each employees pay rate as of the end of the year.

H. Equity Classification Government-Wide

Equity is classified as net position and displayed in three components for government-wide presentation:

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

I. Equity Classification – Governmental Fund Financial Statements

In the fund financial statements the Township reports fund balance classifications in accordance with the provisions of GASB No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The following are a listing of fund balance categories:

Non-Spendable - Not in spendable form or legally or contractually required to remain intact.

Restricted - Externally imposed by creditors or imposed by law through constitutional provisions or enabling legislation.

Committed – Only can be used for specific purposes pursuant to constraints by formal action of the highest level of decision-making authority. The Township's Committed Fund Balance is fund balance reporting required by the Township Supervisors, either because of a Township Policy or in the Township Policy Manual, or because of motions that passed at Board meetings.

Assigned – Constrained by intent to be or used for specific purpose. The Township's Assigned Fund Balance is fund balance reporting occurring by Township authority under the direction of the Township Business Manager.

Unassigned – Residual in classification for government's general fund and includes all spendable amounts not contained in the other classifications.

For the classification of Governmental Fund balances, the Township considers an expenditure to be made from the most restrictive first when more than one classification is available.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

J. Use of Estimates

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

K. Cash and Cash Equivalents

The Township considers all cash accounts and highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

L. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

The GASB has issued the following Statements which became effective in the current year as shown below:

Statement No.83 "*Certain Asset Retirement Obligations*" is effective for reporting periods beginning after June 15, 2018. This Statement addresses accounting and financial reporting for certain asset retirement obligations. The Township is evaluating the impact this Statement may have on the financial statements.

Statement No.84 "*Fiduciary Activities*" is effective for reporting periods beginning after December 15, 2018. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Township is evaluating the impact this Statement may have on the financial statements.

Statement No.87 "*Leases*" is effective for reporting periods beginning after December 15, 2019. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Township is evaluating the impact this Statement may have on the financial statements.

Statement No.88 "*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*" is effective for reporting periods beginning after June 15, 2018. The objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Township is evaluating the impact this Statement may have on the financial statements.

Statement No.89 "*Accounting for Interest Cost Incurred before the End of a Construction Period*" is effective for reporting periods beginning after December 15, 2019. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement has no impact on the Township's financial statements.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 2 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk Related to Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Township's deposits may not be recovered. The Township's policy for minimizing credit risk for bank balances exceeding the Federal Deposit Insurance Corporation's insured limits relies upon the Pennsylvania Pledge Act 72 (72 P.S. section 3836-1et seq.). The act requires the financial institution to pool collateral for all of its government deposits in addition to having the collateral held by an approved custodian in the institution's name.

The table presented below is designed to disclose the level of custodial credit risk assumed by the Township based on how its deposits were insured or secured with collateral at December 31, 2018. The comparison relates to the primary government only. The categories and related deposits are defined as follows:

Categories	Deposits held in financial institutions
Category 1 – Insured by Federal Deposit Insurance Corporation (FDIC) or collateralized with securities held by the Township or by its agent in its name.	\$ 750,000
Category 2 – Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Township's name.	-
Category 3 – Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution or by its trust department or agent but not in the Township's name; or properly collateralized with no written and approved collateral agreement.	2,495,911
TOTAL	\$ 3,245,911

Investments

State laws authorize the Township to invest with the Pennsylvania Local Government Investment Trust (PLGIT), deposits in savings accounts or time deposits of institutions that are insured by the Federal Deposit Insurance Corporation (FDIC), certificates of deposit purchased from institutions insured by the FDIC, and obligations of the United States of America or any of its agencies or instrumentalities backed by the full faith and credit of the United States of America or the Commonwealth of Pennsylvania.

The Township maintains investments with the PLGIT. Although not registered with the Securities and Exchange Commission and not subject to regulatory oversight, PLGIT acts like a money market mutual fund in that their objective is to maintain a stable net asset value of \$1 per share, and is rated by a nationally recognized statistical rating organization and is subject to an independent annual audit. The Township treats their PLGIT as cash equivalents on the statement of net position and fund balance statements.

As of December 31, 2018, the Township had the following investments:

Investment	Fair Value
PLGIT Money Market Funds	\$ 36,196
Total Investments	\$ 36,196

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 3 – FUND BALANCE CLASSIFICATIONS

At December 31, 2018 the unassigned fund balance for the general fund is \$2,940,809. The restricted fund balance is made up of \$16,638 for future highway related expenditures. All remaining funds are designated as assigned for expenditures related to that fund.

NOTE 4 – PROPERTY TAXES

Based upon taxable assessed valuation provided by the County (approximately \$114,780,430 in 2018), the Township bills and collects its own property taxes through an appointed tax collector. The Township's tax rate for all purposes for 2018 was 4.00 mills (\$4.00 per \$1,000 of assessed valuations). The schedule for property taxes levied for 2018 is as follows:

March 1	Levy Date
March 1 through April 30	2% Discount Period
May 1 through June 30	Face Payment Period
July 1 through December 31	10% Penalty Period
January 1 (following year)	Lien Date

NOTE 5 – CAPITAL ASSETS

A summary of the changes in governmental-type activities fixed assets for the year ended December 31, 2018 is as follows:

	Balance 1/1/18	Additions	Retirements/ Adjustments	Balance 12/31/18
Governmental Activities:				
Assets not being depreciated:				
Land	\$ 130,527	\$ -	\$ -	\$ 130,527
Construction in process	18,916	-	-	18,916
Assets being depreciated:				
Buildings and improvements	6,158,112	31,416	-	6,189,528
Land improvements	1,260,750	-	-	1,260,750
Vehicles and transportation equipment	723,037	64,007	-	787,044
Office equipment	26,836	5,964	-	32,800
Machinery and equipment	672,014	20,639	-	692,653
Infrastructure	2,241,774	-	-	2,241,774
Total Capital Assets	11,231,966	122,026	-	11,353,992
Less: accumulated Depreciation	3,310,475	293,666	-	3,604,141
Governmental activities capital assets, net	\$ 7,921,491	\$ (171,640)	\$ -	\$ 7,749,851

Depreciation expense of \$293,666 in the governmental activities was charged to the general government and administration area expenses because the Township chooses not break down the expenses into functional areas.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 6 – LONG-TERM DEBT

The Township's long-term debt activity for the year ended December 31, 2018 is summarized as follows:

	Balance 1/1/18	Issues/ Additions	Payments/ Deductions	Balance 12/31/18
<u>Governmental Type Activities</u>				
Series 2015 Bond Issue	\$ 5,090,000	\$ -	\$ 580,000	\$ 4,510,000
Total governmental	<u>\$ 5,090,000</u>	<u>\$ -</u>	<u>\$ 580,000</u>	<u>\$ 4,510,000</u>

Details of the long-term debt consist of the following:

The Township signed a bond purchase agreement on March 24, 2015, to refinance the Series 2010 Bond Issue with the issuance of General Obligation Bonds, Series of 2015 dated April 30, 2015. The original amount of the Series 2015 Bond Issue was \$6,250,000. The Township has an agreement with Smithfield Sewer Authority for the Authority to reimburse the Township annually for both the principal and interest portions of the Authority's debt that was refinanced. The Authority's portion of the remaining \$5,650,000 Series 2015 Bond Issue is \$2,230,000 at December 31, 2018.

The following table lists the maturity repayment requirements and annual interest rates:

Year Ended	Principal	Interest	Total Payment	Annual Interest %
2019	\$ 595,000	\$ 111,723	\$ 706,723	4.000%
2020	625,000	87,323	712,323	4.000%
2021	640,000	68,423	708,423	2.000%
2022	665,000	55,373	720,373	2.000%
2023	665,000	42,073	707,073	2.000%
2024-2028	1,090,000	109,906	1,199,906	2.000%-2.450%
2029	230,000	3,335	233,335	2.900%
Totals	<u>\$ 4,510,000</u>	<u>\$ 478,156</u>	<u>\$ 4,988,156</u>	

NOTE 7 – DUE FROM SMITHFIELD SEWER AUTHORITY

The Township has an agreement with Smithfield Sewer Authority which requires the Authority to fund the portion of the Township's 2015 bond issuance obligations related to the portion of debt that satisfied the Authority's prior bond issuance. The Township's Supervisors agreed in 2004 to issue bonds, with the majority of the proceeds paying the prior obligations of the Authority. When the Township refinanced the 2004 bond the Authority's portion of the bond obligation increased accordingly. The following is a summary of the obligation due to the Township:

	Balance 1/1/18	Additions	Payments/ Reductions	Balance 12/31/18
Due from Authority	<u>\$ 2,635,000</u>	<u>\$ -</u>	<u>\$ 405,000</u>	<u>\$ 2,230,000</u>

The Authority also transferred \$67,775 to the Township to cover bond interest requirements for 2018.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 8 – AMORTIZATION OF BOND DISCOUNTS AND PREMIUMS

The Township incurred amortizable discounts and premiums in 2015, related to the issuance of its bonds, which were amortized over the term of the bonds. Resulting from the Bond refinance on March 2, 2010 were new amortizable discounts and premiums.

The following summarizes the amortization of the above discounts and premiums for the year ended December 31, 2018:

	Original Amount	Accumulated Amortization 1/1/18	Amortization Expense 2018	Accumulated Amortization 12/31/18
Original issue discount	\$ 21,816	\$ (3,097)	\$ (1,616)	\$ (4,713)
Original issue premium	(42,259)	6,000	3,130	9,131
Totals	<u>\$ (20,443)</u>	<u>\$ 2,903</u>	<u>\$ 1,514</u>	<u>\$ 4,417</u>

NOTE 9 – CAPITAL LEASE

On October 28, 2016, the Township entered into a capital lease with PACCAR for the purchase of a 2017 Model 348 Peterbilt dump truck. The lease purchase amount is \$154,706, and the payments required are 5 annual payments of \$33,680.55 including interest at a nominal annual rate of 4.431%.

The following is a summary of the Township's capital lease transactions:

	Balance 01/01/18	Additions	Principal Reductions	Balance 12/31/18
Capital Lease - Truck	\$ 92,707	\$ -	\$ 29,572	\$ 63,135
Totals	<u>\$ 92,707</u>	<u>\$ -</u>	<u>\$ 29,572</u>	<u>\$ 63,135</u>

The following table lists the maturity repayment requirements and annual interest rates:

Year Ended	Principal	Interest	Total Payment
2019	\$ 30,883	\$ 2,798	\$ 33,681
2020	32,251	1,430	33,681
Totals	<u>\$ 63,135</u>	<u>\$ 4,228</u>	<u>\$ 67,362</u>

NOTE 10 – NON-UNIFORM PENSION

Plan Description

General: The Smithfield Township pension plan is a single-employer defined contribution pension plan controlled by the provisions of Ordinance 213, dated 11/12/13. The plan participates in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating municipal pension plans.

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

NOTE 10 – NON-UNIFORM PENSION - Continued

Plan Membership

Membership is mandatory for full-time officers and employees of the Township. Credited service begins to accrue as of the enrollment date, which is the date of hire, or upon the expiration of the Member's probationary status, whichever is more recent. A member shall vest upon the completion of one year of credited service.

The plan provides retirement, disability and death benefits to plan members and their beneficiaries equal to a single life annuity starting on the effective date of retirement with a present value equal to the Member's Accumulated Deductions and municipal contributions made on behalf of the Member. Members are eligible for retirement upon the attainment sixty-two (62) years of age.

Contributions

In accordance with the Plan's governing Ordinance or Resolution as applicable, members are not required to contribute to the plan, but may elect to contribute up to 20% of compensation. These contributions are deducted from payroll, and treated as taxed at the time they are made to the System, will be tracked separately, and will not be treated as taxable when paid out to the Member.

The Township is required to contribute \$750 to each member per quarter (\$3,000 annually), and may annually elect to contribute at a higher amount in future years by adopting a resolution and filing a copy of it with the Board.

NOTE 11 – INTERFUND TRANSFERS

The Township transfers funds between funds periodically to allocate revenues and to cover expenditures. Interfund transfers are approved at public meetings of the Supervisors. Interfund transfers during the year ended December 31, 2018, were as follows:

	Transfer In	Transfers Out
Park Fund	\$ 40,000	\$ -
Community Garden	146	-
General Fund	-	40,146
Total	\$ 40,146	\$ 40,146

NOTE 12 – SUBSEQUENT EVENTS

In preparing these financial statements, the Township's management has evaluated events and transactions subsequent to December 31, 2018 through September 10, 2019, the date these financial statements were available to be issued. Based on the definitions and requirements of the Subsequent Events Topics of the FASB Accounting Standards Codification, the Township's management is not aware of subsequent events that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,578,700	\$ 1,578,700	\$ 1,580,218	\$ 1,518
Licenses, permits and fees	157,240	157,240	156,677	(563)
Fines, forfeitures and penalties	470	470	535	65
Interest	26,200	26,200	28,610	2,410
Rental income	33,075	33,075	33,075	-
Intergovernmental	95,550	95,550	102,455	6,905
Charges for services	167,395	167,395	160,736	(6,659)
Miscellaneous	2,100	2,100	11,073	8,973
Total revenues	<u>2,060,730</u>	<u>2,060,730</u>	<u>2,073,379</u>	<u>12,649</u>
Other financing sources				
Transfers from Authority for debt	472,775	472,775	472,775	-
Total revenues and other financing sources	<u>2,533,505</u>	<u>2,533,505</u>	<u>2,546,154</u>	<u>12,649</u>
Expenditures				
General government	386,350	386,350	407,779	(21,429)
Public safety and protective inspection	256,620	256,620	252,443	4,177
Public works - other	83,500	83,500	83,442	58
Highways and streets	460,900	460,900	527,022	(66,122)
Water system	800	800	784	16
Parks and recreation	26,700	26,700	36,073	(9,373)
Conservation of natural resources	8,750	8,750	8,750	-
Debt service - principal	608,680	608,680	609,573	(893)
Debt service - interest	137,300	137,300	136,430	870
Payroll taxes	43,600	43,600	38,411	5,189
Pension	24,000	24,000	23,514	486
Insurance	130,000	130,000	54,132	75,868
Employee benefits	170,300	170,300	242,501	(72,201)
Total expenditures	<u>2,337,500</u>	<u>2,337,500</u>	<u>2,420,854</u>	<u>(83,354)</u>
Other financing uses				
Interfund operating transfers out	70,150	70,150	40,146	30,004
Refund of prior year's revenues	-	-	-	-
Total other financing uses	<u>70,150</u>	<u>70,150</u>	<u>40,146</u>	<u>30,004</u>
Total expenditures and other financing uses	<u>2,407,650</u>	<u>2,407,650</u>	<u>2,461,000</u>	<u>(53,350)</u>
Excess of revenues over expenditures	125,855	125,855	85,154	<u>\$ (40,701)</u>
Fund balance at beginning of year (forwarded)	125,855	125,855	2,855,657	
Fund balance at end of year	<u>\$ 251,710</u>	<u>\$ 251,710</u>	<u>\$ 2,940,811</u>	

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2018**

NOTE A – BUDGETARY COMPLIANCE

The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund presents a comparison of budgetary data to actual results. The General Fund utilizes the same basis of accounting for both budgetary purposes and actual results, except for the effect of encumbrances and unrealized investment gains and losses, which are adjusted to the actual results for this comparison.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

1. At least 30 days prior to budget adoption, the Township prepares a proposed budget for the ensuing year.
2. Notification of the proposed budget and hearings on it are held by the Township prior to adoption.
3. Prior to December 31st, the budget is legally enacted by the Township and the tax levy ordinance is adopted.
4. The Township, during the budget year, is authorized to modify the budget through either budget transfers or supplemental appropriations.
5. The budget lapses at the end of the year.

Prior to December 31st, the budget is legally enacted by the Township and the tax levy ordinance is adopted.

The legal level of control at which expenditures may not legally exceed appropriations is the object category level by department within a fund. All transfers of appropriations between departments and supplemental appropriations require Township Board approval.

For the year ended December 31, 2018, expenditures exceeded appropriations at the legal level of control in the General Fund as follows:

Object Category	Expenditures Exceeding Appropriations
General government	\$21,429
Highways and streets	\$66,122
Parks and recreation	\$ 9,373
Employee benefits	\$72,201

SUPPLEMENTARY INFORMATION

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
COMBINING BALANCE SHEETS - OTHER GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	Park & Rec. Fund	Community Garden Fund	PLGIT Bond Proceeds Fund	Fairshare Road Improvement Fund	Fees in Lieu of Open Space Fund	Capital Projects Fund	Rivers Edge Bike Park Fund	Total Other Governmental Funds
ASSETS								
Cash	\$ 18,880	\$ 3,854	\$ 801	\$ 10,567	\$ 6,322	\$ 43,960	\$ 10,069	\$ 94,453
TOTAL ASSETS	<u>\$ 18,880</u>	<u>\$ 3,854</u>	<u>\$ 801</u>	<u>\$ 10,567</u>	<u>\$ 6,322</u>	<u>\$ 43,960</u>	<u>\$ 10,069</u>	<u>\$ 94,453</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES								
Accounts payable	\$ 796	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 796
Due to other funds	-	-	-	-	-	-	283	283
TOTAL LIABILITIES	<u>796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>283</u>	<u>1,079</u>
FUND BALANCES								
Assigned	18,084	3,854	801	10,567	6,322	43,960	9,786	93,374
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 18,880</u>	<u>\$ 3,854</u>	<u>\$ 801</u>	<u>\$ 10,567</u>	<u>\$ 6,322</u>	<u>\$ 43,960</u>	<u>\$ 10,069</u>	<u>\$ 94,453</u>

**SMITHFIELD TOWNSHIP
MONROE COUNTY, PENNSYLVANIA
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - OTHER GOVERNMENTAL FUNDS
For the Year Ended December 31, 2018**

	Park & Rec. Fund	Community Garden Fund	PLGIT Bond Proceeds Fund	Fairshare Road Improvement Fund	Fees in Lieu of Open Space Fund	Capital Projects Fund	Rivers Edge Bike Park Fund	Total Other Governmental Funds
Revenues								
Interest income	\$ 162	\$ -	\$ 11	\$ 169	\$ 102	\$ 598	\$ 137	\$ 1,179
Intergovernmental income	-	-	-	-	-	-	2,857	2,857
Donations	4,567	-	-	-	500	-	0	5,067
Total revenues	4,729	-	11	169	602	598	2,994	9,103
Other Financing sources								
Interfund operating transfers in	40,000	146	-	-	-	-	-	40,146
Total other financing sources	40,000	146	-	-	-	-	-	40,146
Total Revenues and Other Financing Sources	44,729	146	11	169	602	598	2,994	49,249
Expenditures								
Parks and recreation	42,514	-	-	-	-	-	-	42,514
Construction costs	-	739	-	-	-	-	-	739
Miscellaneous	-	-	-	-	500	-	-	500
Total expenditures	42,514	739	-	-	500	-	-	43,753
Net change in fund balances	2,215	(593)	11	169	102	598	2,994	5,496
Fund balances at beginning of year	15,869	4,447	790	10,398	6,220	43,362	6,792	87,878
Fund balances at end of year	\$ 18,084	\$ 3,854	\$ 801	\$ 10,567	\$ 6,322	\$ 43,960	\$ 9,786	\$ 93,374