

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PENNSYLVANIA**

**Financial Report**

**December 31, 2005**

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PENNSYLVANIA**

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**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PENNSYLVANIA**

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**Independent Auditor's Report on the Financial Statements  
and Supplementary Information**

To the Board of Supervisors  
Hilltown Township  
Hilltown, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Hilltown Township, Bucks County, Pennsylvania, as of and for the year ended December 31, 2005, which collectively comprise the Township's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these basic 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 general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements referred to above do not include the activities of the Hilltown Township Water and Sewer Authority, which has been determined to be a component unit of the Township under accounting principles generally accepted in the United States of America. Therefore, this report should be read in conjunction with the financial statements of the Authority.

In our opinion, except for the effects on the financial statements of the omissions described in the preceding paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Hilltown Township, Bucks County, Pennsylvania, as of December 31, 2005, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis and the required supplementary information, listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

We performed our audit to form an opinion on the financial statements that collectively comprise the Hilltown Township basic financial statements. The combining and individual fund statements and schedules listed in the table of contents are presented for additional analysis and are not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

*Dunlap & Associates, P.C.*  
DUNLAP & ASSOCIATES, P.C.

Chalfont, Pa.  
February 17, 2006

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Management's Discussion and Analysis (Unaudited)**  
**Year Ended December 31, 2005**

Our discussion and analysis of Hilltown Township's financial performance provides an overview of the Township's financial activities for the year ended December 31, 2005. Please read it in conjunction with the Township's financial statement, which begins on page 14.

**FINANCIAL HIGHLIGHTS**

The Township's net assets increased approximately \$1.5 million or 22% as a result of this year's operations.

The total cost of all Township programs for the year ended December 31, 2005, was \$5,172,306 compared to \$4,740,370 for 2004.

During the year, the Township purchased capital assets at a total cost of \$214,000. The purchase included police vehicles totaling \$59,000 and park equipment including mowers totaling \$22,000.

The Township took dedication of one street in 2005 (Kristine Lane) with a total value of \$98,000.

**USING THIS REPORT**

This report consists of a series of financial statements. The Statement of Net Assets and the State of Activities (on pages 14 and 15-16) provide information about the activities of the Township as a whole and present a longer-term view of the Township's finances. Fund financial statements start on page 17. For governmental activities, these statements tell how Township services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Township's operations in more detail than the government-wide statements by providing information about the Township's major funds. The remaining statements provide financial information about activities for which the Township acts solely as a trustee or agent for the benefit of those outside the government.

**Reporting on the Township as a Whole**

The Statement of Net Assets and Statement of Activities report information about the Township as a whole and about its activities in a way that helps answer the question of whether or not the Township is better or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. These statements report the Township's net assets and changes in them. The Township's net assets (the difference between assets and liabilities) provide a measurement of the Township's financial health, or financial position. Over time, increases or decreases in net assets are an indicator of whether the Township's financial health is improving or deteriorating.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Management's Discussion and Analysis (Unaudited)**  
**Year Ended December 31, 2005**

**USING THIS REPORT** (Continued)

**Reporting Significant Funds**

The fund financial statements begin on page 17 and provide detailed information about the most significant funds, not the Township as a whole. Some funds are required to be established by State law. However, the Board of Supervisors established many other funds to help it control or manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

The Township's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year end that are available for spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can be converted to cash. The governmental fund statements provide a detailed short-term view of the Township's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance Township programs. The relationship (or differences) between governmental activities (reported in the State of Net Assets and the State of Activities) and governmental funds are described in a reconciliation at the end of the fund financial statements.

**The Township as a Trustee**

The Township is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for escrow deposits from developers, businesses, and individuals for legal and engineering fees. All of the Township's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets on pages 23-24. These activities are excluded from the Township's other financial statements because the Township cannot use these assets to finance its operations. The Township is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**THE TOWNSHIP AS A WHOLE**

The Statement of Net Assets provides an overview of the Township's assets, liabilities, and net assets. Over time this statement will provide a good indicator of the Township's fiscal health. During 2006 valuation calculations will be made for the almost 85 miles of Township streets and roads, as well as traffic signals, storm sewers, and drainage structures. This additional listing of capital assets will appear in the 2006 report. A comparative analysis of government-wide data will be presented in future years when the information is available.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Management's Discussion and Analysis (Unaudited)  
Year Ended December 31, 2005**

**Table 1  
Net Assets**

Account	Current Year	Prior Year	\$ Change	% Change
Capital Assets	\$ 6,728,980	\$ 6,822,440	\$ (93,460)	(1.37)
Current and Other Assets	4,477,060	3,106,040	1,371,020	44.14
Total Assets	<u>11,206,040</u>	<u>9,928,480</u>	<u>1,277,560</u>	12.87
Long-Term Liabilities	2,385,003	2,680,088	(295,085)	(11.01)
Other Liabilities	188,481	154,724	33,758	21.82
Total Liabilities	<u>2,573,484</u>	<u>2,834,812</u>	<u>(261,327)</u>	(9.22)
Net Assets				
Invested in Capital Assets, Net of Related Debt	4,343,977	4,239,652	104,325	2.46
Restricted	2,467,537	1,014,693	1,452,844	0.00
Unrestricted	<u>1,821,042</u>	<u>1,839,323</u>	<u>(18,281)</u>	(0.99)
Total Net Assets	<u>\$ 8,632,556</u>	<u>\$ 7,093,668</u>	<u>\$ 1,538,888</u>	21.69

The total nets assets of the Township shown above are \$8.6 million. However, this does not include certain physical assets that will be added, such as nearly 85 miles of streets, as well as traffic signals, storm sewers, and drainage structures. Net assets increased by 22% in 2005.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Management's Discussion and Analysis (Unaudited)**  
**Year Ended December 31, 2005**

**Table 2**  
**Changes in Net Assets**

Account	Current Year	Prior Year	\$ Change	% Change
<b>Program Revenues</b>				
General Government	\$ 256,946	\$ 188,470	\$ 68,476	36.33
Police	332,895	340,196	(7,301)	(2.15)
Fire	119,582	97,572	22,010	22.56
Code Enforcement	363,548	339,434	24,114	7.10
Highway Maintenance	498,818	986,765	(487,947)	(49.45)
Snow and Ice Removal	6,398	6,120	278	4.54
Street Lighting	12,258	12,422	(164)	(1.32)
Parks and Recreation	23,458	90,839	(67,381)	(74.18)
<b>General Revenues</b>				
Real Estate Taxes	1,321,118	865,818	455,300	52.59
Transfer Taxes	632,051	627,712	4,339	0.69
Earned Income Taxes	2,506,166	2,405,024	101,142	4.21
Other Taxes	134,833	127,698	7,135	5.59
Grants and Contributions	319,765	517,536	(197,771)	(38.21)
Interest and Rents	176,372	84,985	91,387	107.53
Miscellaneous	6,987	4,715	2,272	48.19
<b>Total Revenues (Forwarded)</b>	<b>\$ 6,711,195</b>	<b>\$ 6,695,306</b>	<b>\$ 15,889</b>	<b>0.24</b>

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Management's Discussion and Analysis (Unaudited)**  
**Year Ended December 31, 2005**

**Table 2**  
**Changes in Net Assets**

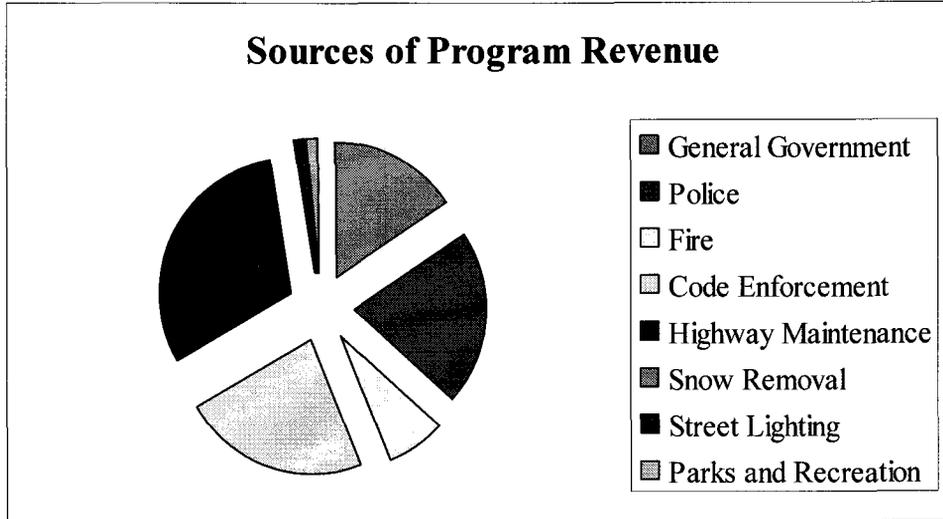
Account	Current Year	Prior Year	\$ Change	% Change
<b>Total Revenues</b> (Forwarded)	\$ 6,711,195	\$ 6,695,306	\$ 15,889	0.24
<b>Program Expenses</b>				
Legislative	69,096	60,613	8,483	14.00
Executive	439,428	389,724	49,704	12.75
Finance and Tax Collection	97,266	78,620	18,646	23.72
Professional Services	121,441	118,211	3,230	2.73
General Government	134,647	133,183	1,464	1.10
Police	2,438,189	2,255,066	183,123	8.12
Fire	265,804	242,584	23,220	9.57
Code Enforcement	124,534	158,301	(33,767)	(21.33)
Highway Maintenance	1,296,190	1,082,244	213,946	19.77
Snow and Ice Removal	85,545	77,622	7,923	10.21
Street Lighting	17,032	16,393	639	3.90
Parks and Recreation	66,055	109,722	(43,667)	(39.80)
Conservation and Development	17,079	18,087	(1,008)	(5.57)
<b>Total Expenses</b>	5,172,306	4,740,370	431,936	9.11
<b>Changes in Net Assets</b>	\$ 1,538,889	\$ 1,954,936	(416,047)	(21.28)

**Revenue Overview**

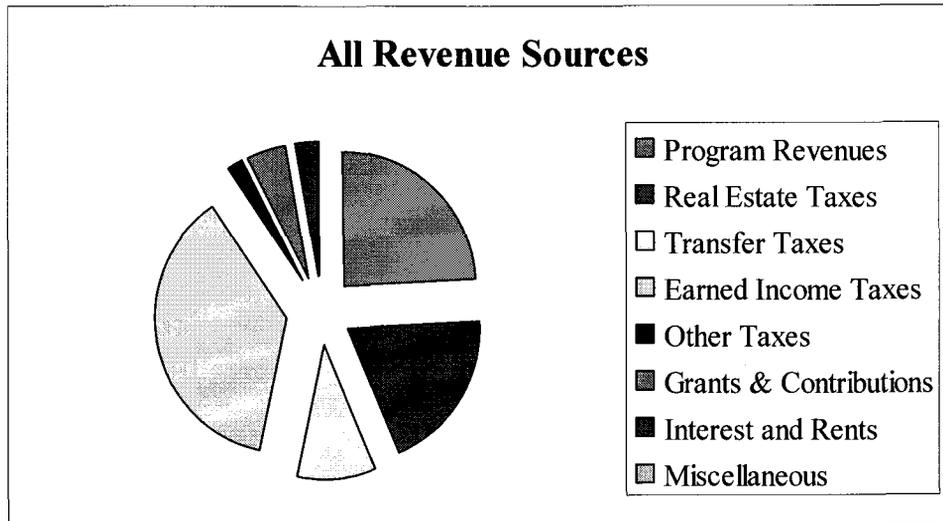
Total revenue from all sources was \$6.7 million. Real Estate taxes were assessed at 6.75 mills. (It is important to note here that Bucks County changed its ratio of assessment to 100% from the former 25%. This created the need to divide all mills by 4 to accommodate this change). In addition to this ratio change the Township increased real estate taxes by 50% in 2005. This was the first increase in real estate taxes in 10 years. Transfer taxes remain a significant revenue component up 1% in 2005 due to additional development and a strong housing market. Earned income tax (EIT) continues to be the most important revenue source. EIT growth of 4% in 2005 was due to an increase in population.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Management's Discussion and Analysis (Unaudited)  
Year Ended December 31, 2005**

**Figure 1**



**Figure 2**

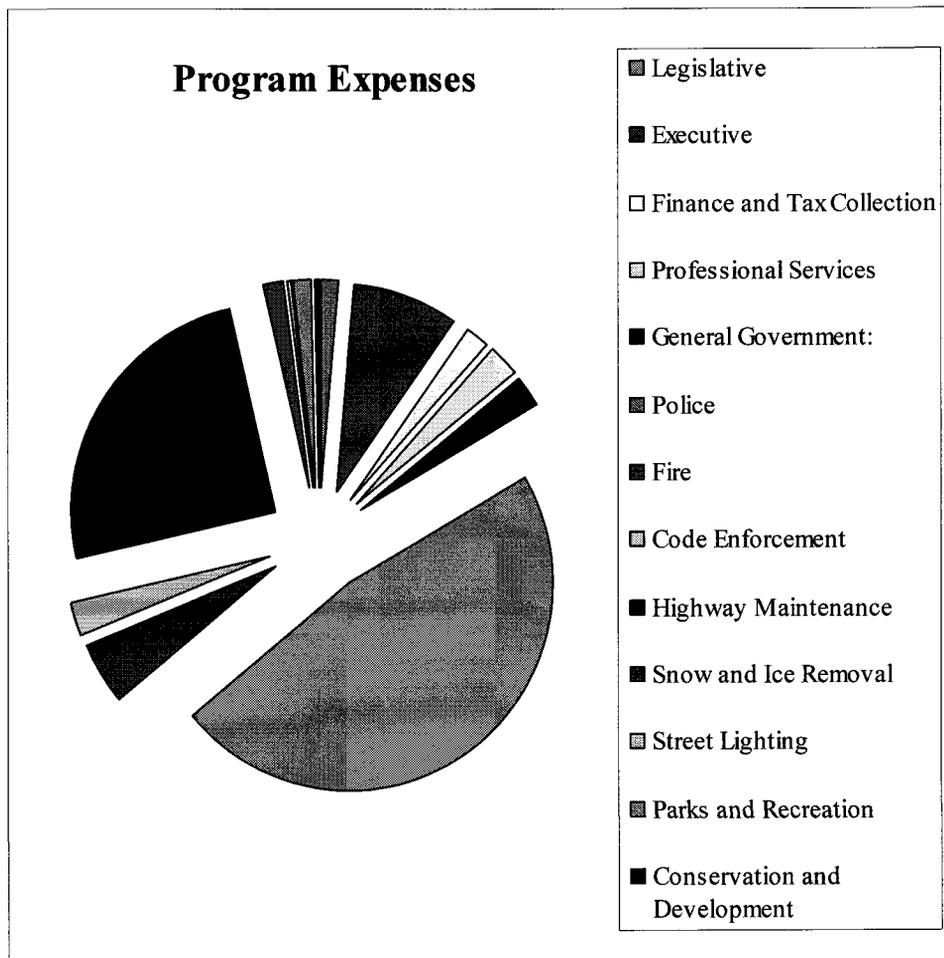


**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Management's Discussion and Analysis (Unaudited)  
Year Ended December 31, 2005**

**Expense Overview**

Total expenses in all categories were \$5.1 million. Police and Public Works are the largest expense, accounting for spending of \$3.7 million.

**Figure 3**



**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Management's Discussion and Analysis (Unaudited)  
Year Ended December 31, 2005**

**ITEMS OF GENERAL INTEREST**

**Water**

Residents and businesses of the Township are served by Hilltown Township Water and Sewer Authority (HTWSA), Telford Borough Authority (TBA), North Penn Water Authority (NPWA), and primarily on-lot water systems. Based upon the fact that the Township is responsible for appointing the HTWSA board members, the Authority is considered a component unit of the Township. The Authority's financial activity would normally be included in the Township's financial statements under GAAP; however, Management has elected not to include the activity in the Township's financial statements. Therefore, these financial statements are to be read in conjunction with the financial statements of the Authority. The Township has no financial or management control of the water companies other than that noted above.

**Waste Water**

Residents and businesses of the Township are principally served by the HTWSA, TBA, and primarily on-lot sewage disposal systems. The Township has no financial or management control of the sewer authorities other than that noted above.

**Fire and Ambulance**

Residents and businesses of the Township are served by the Hilltown Township Volunteer Fire Company, Perkasio Fire Company, Sellersville Fire Company, Dublin Fire Company, Silverdale Fire Company, Souderton Fire Company, Telford Fire Company, and Chalfont Chemical Fire Engine Company No. 1 in designated districts. There are mutual aid agreements and central dispatching throughout the area. Dublin Ambulance Company and Grand View Hospital Ambulance Company also provide ambulance services. The Township collects and distributes a .75 mill fire tax and has no other financial or management control of the fire companies or ambulance services.

**Public Facilities**

The Township owns two parks, along with scattered open space parcels. The Township municipal building is 17 years old and houses both the Police Department and the Administrative Offices. The Public Works Department is located to the rear of the Township administration building and centralizes all Township services.

**ANALYSIS OF INDIVIDUAL FUNDS**

General fund budget to actual was close except for a few areas in 2005. The areas where the budget to actual had variances, and the explanations of those variances are as follows:

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Management's Discussion and Analysis (Unaudited)**  
**Year Ended December 31, 2005**

**ANALYSIS OF INDIVIDUAL FUNDS (Continued)**

**Revenues**

Taxes - Transfer taxes were approximately \$132,000 higher than budget due to a stronger than anticipated housing market. Earned Income Tax was approximately \$121,000 higher because of increased population.

Miscellaneous Revenue - Developer Contributions - Contributions from developers was budgeted conservatively due to the unpredictability of the timing of receipt of such payments.

It is important to note that the Board of Supervisors and Township management approach budgeting and spending conservatively.

**Other Funds**

This category includes:

- Special Revenue Funds
  - Liquid Fuels Fund
  - Street Light Fund
  - Fire Tax Fund
  - Open Space Fund
  - Park and Recreation Fund
- Capital Projects Fund
- Road Equipment Fund
- Debt Service Fund

Each of these funds had routine and unremarkable results during 2005.

The Park and Recreation Fund and Road Equipment Fund appear for the first time. The Park and Recreation Fund is being used for actual Park expenses, including the purchase of capital equipment for use in the parks.

The Road Equipment Fund is being used for the purchase of equipment used by the Public Works Department for maintenance of the roads of the Township. There were no expenditures in 2005 due to the unavailability of trucks. It is anticipated that major equipment purchases will be made in 2006. This item will include two Dump Trucks valued at approximately \$95,000 each.

**Pension Plans**

Full-time Township employees are also members of the Police or Non-Uniformed local pension plan. The pension plans for both groups are managed by the Pennsylvania Municipal Retirement System. The Township is eligible for Act 205 assistance in the form of state aid.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Management's Discussion and Analysis (Unaudited)**  
**Year Ended December 31, 2005**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

Hilltown Township has \$4.3 million invested in Capital Assets, Net of Related Debt. Infrastructure assets acquired prior to January 1, 2004 and the related accumulated depreciation and depreciation expense are not included in this report. GASB 34 was adopted during the prior fiscal year; during 2006 valuation calculations will be made for the almost 85 miles of Township streets and roads, as well as traffic signals, storm sewers, and drainage structures. This additional listing of capital assets will appear in the 2006 report.

Significant capital events during the year included the purchases of Police vehicles, a pick-up truck and mowers and well as the dedication of one street to the Township.

**Discussion of Future Plans**

The Public Works director is continuing to work through the Pavement Management Program developed for 2005-2009 to anticipate paving needs into the future. These projections are subject to change due to winter weather conditions and excessive use.

The Township plans to pave six (6) roads in 2006. The Township expects the cost of the paving to be approximately \$334,042.

Additionally the Township expects to purchase two (2) dump trucks, a pick-up truck, leaf loader, and a brush and wood chipper totaling approximately \$252,000.

Three (3) Police Vehicles are scheduled to be purchased to replace aging vehicles in the amount of \$87,000.

Extensive repairs are planned for the Township Parks. Paving of the walking path at the Civic Park, repairs to the Baseball infield, and reworking the bases for the tot lots. The storage shed at the park will be repaired and picnic tables and trash containers will be replaced.

**Debt**

The Township's General Long Term Debt was reduced 7.1% in 2005. There are no plans at this time to refinance or acquire new debt.

The Township's General Long Term Notes changed during the year as follows:

Balance, January 1, 2005	\$ 2,553,032
Principal Payments	<u>(183,202)</u>
Balance, December 31, 2005	<u>\$ 2,369,830</u>

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Management's Discussion and Analysis (Unaudited)  
Year Ended December 31, 2005**

**ECONOMIC FORCAST**

As discussed above, the Township has four major sources of revenue:

- Earned Income Tax
- Real Estate Tax
- Fees and Charges, State Transfers
- Real Estate Transfer Tax

For 2006 the Township has adopted the Municipal Services Tax, replacing the Occupational Privilege Tax. This tax is estimated to generate approximately \$287,000. The adoption of this tax has provided for the elimination of the Per Capita Taxes which in prior years yielded approximately \$90,000, providing a net increase in income of \$197,000.

Earned Income Tax is expected to remain stable with marginal growth. Real Estate Transfer Taxes are expected to remain consistent as the housing market in the Township remains strong.

**CONTACTING THE TOWNSHIP'S FINANCIAL MANAGEMENT TEAM**

This Management Discussion and Analysis is intended to provide our citizens, taxpayers, and creditors with a general, plain English overview of important financial matters. The Township's Treasurer is Lorraine Leslie (phone); 215-453-6000, extension 212. The Township's Manager is Ken Bennington (phone); 215-453-6000, extension 213. The Township can be reached by fax (215)453-1024 or by the internet at [www.hilltown.org](http://www.hilltown.org).

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Statement of Net Assets  
December 31, 2005**

**Assets**

Current Assets

Cash	\$ 2,427,836
Taxes Receivable	1,409,099
Other Receivables	58,184
Prepaid Expenses	44,199
Due from Fiduciary Fund	<u>537,743</u>
Total Current Assets	4,477,060

Noncurrent Assets

Net Capital Assets	<u>6,728,980</u>
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**Total Assets**

**\$ 11,206,040**

**Liabilities and Net Assets**

Current Liabilities

Accounts Payable and Accrued Expenses	\$ 52,100
Accrued Wages and Benefits	49,002
Current Portion of Obligation Under Capital Lease	15,173
Current Portion of General Obligation Note	<u>189,231</u>
Total Current Liabilities	<u>305,506</u>

Noncurrent Liabilities

General Obligation Note Payable	2,180,599
Compensated Absences	<u>87,379</u>
Total Noncurrent Liabilities	<u>2,267,978</u>
Total Liabilities	<u>2,573,484</u>

Net Assets

Invested in Capital Assets, Net of Related Debt	4,343,976
Restricted for	
Land Preservation	1,873,657
Debt Service	240,756
Other Purposes	353,124
Unrestricted	<u>1,821,042</u>
Total Net Assets	<u>8,632,556</u>

**Total Liabilities and Net Assets**

**\$ 11,206,040**

See Notes to Financial Statements.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Statement of Activities  
Year Ended December 31, 2005**

<u>Functions/Programs</u>	<u>Expense</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Governmental Activities</b>			
General Government			
Legislative	\$ 69,096	\$ 0	\$ 0
Executive	439,428	0	9,420
Finance and Tax Collection	97,266	0	0
Professional Services	121,441	61,080	0
General Government	134,647	131,593	54,853
Public Safety			
Police	2,438,189	217,780	115,115
Fire	265,804	0	119,582
Code Enforcement, Planning and Zoning	124,534	358,004	5,544
Highways			
Highway Maintenance	1,264,136	77,600	311,901
Snow and Ice Removal	85,545	6,398	0
Traffic Signals	32,054	11,317	0
Street Lighting	17,032	12,258	0
Parks and Recreation	66,055	5,960	1,248
Conservation and Development	17,079	0	0
Total Governmental Activities	<u>\$ 5,172,306</u>	<u>\$ 881,989</u>	<u>\$ 617,663</u>

See Notes to Financial Statements.

<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Changes in Net Assets</u>
\$ 0	\$ (69,096)
0	(430,008)
0	(97,266)
0	(60,361)
0	51,800
0	(2,105,294)
0	(146,222)
0	239,014
98,000	(776,635)
0	(79,148)
0	(20,737)
0	(4,775)
16,250	(42,597)
0	(17,079)
<u>\$ 114,250</u>	<u>(3,558,404)</u>

#### General Revenues

##### Taxes

Real Estate Taxes	1,321,118
Real Estate Transfer Taxes	632,051
Earned Income Taxes	2,506,166
Other Taxes	134,833
Grants and Contributions	319,765
Investment Income and Rents	176,372
Miscellaneous	6,987
Total General Revenues	<u>5,097,293</u>

Change in Net Assets 1,538,889

#### Net Assets

Beginning of Year	<u>7,093,668</u>
End of Year	<u>\$ 8,632,556</u>

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Balance Sheet  
Governmental Funds  
December 31, 2005**

	<u>General Fund</u>	<u>Open Space Fund</u>	<u>Debt Service Fund</u>
<b>Assets</b>			
Cash	\$ 392,446	\$ 1,444,228	\$ 247,490
Taxes Receivable	962,818	429,429	6,883
Other Receivables	7,184	0	0
Due from Other Funds	<u>532,957</u>	<u>0</u>	<u>4,596</u>
<b>Total Assets</b>	<u>\$ 1,895,405</u>	<u>\$ 1,873,657</u>	<u>\$ 258,968</u>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 33,181	\$ 0	\$ 0
Accrued Wages	40,458	0	0
Accrued and Withheld Payroll Taxes	8,546	0	0
Accrued Interest Payable	0	0	18,212
Deferred Revenue	<u>682,822</u>	<u>323,585</u>	<u>5,234</u>
Total Liabilities	<u>765,007</u>	<u>323,585</u>	<u>23,446</u>
 <b>Fund Balances</b>			
Unreserved, reported in			
General Fund	1,130,399	0	0
Special Revenue Funds	0	1,550,072	0
Capital Project Funds	0	0	0
Debt Service Funds	<u>0</u>	<u>0</u>	<u>235,522</u>
Total Fund Balances	<u>1,130,399</u>	<u>1,550,072</u>	<u>235,522</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,895,405</u>	<u>\$ 1,873,657</u>	<u>\$ 258,968</u>

See Notes to Financial Statements.

Other Governmental Funds	Total Governmental Funds
\$ 343,671	\$ 2,427,836
9,970	1,409,099
0	7,184
190	537,743
\$ 353,831	\$ 4,381,862

\$ 707	\$ 33,888
0	40,458
0	8,546
0	18,212
6,290	1,017,932
6,997	1,119,035

0	1,130,399
144,030	1,694,102
202,804	202,804
0	235,522
346,834	3,262,827
\$ 353,831	\$ 4,381,862

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
December 31, 2005**

Total Governmental Fund Balances	\$ 3,262,827
Amounts Reported for Governmental Activities in the Statement of Net Assets Are Different Because	
Capital Assets Used in Governmental Activities Are Not Financial Resources, and Therefore Not Reported in Funds, Net of Accumulated Depreciation of \$2,638,359.	6,728,980
Other Long-Term Assets Are Not Available to Pay for Current Period Expenditures, and Therefore Are Deferred in the Funds	
Taxes Receivable	1,017,932
Other Receivables	51,000
Prepaid Expenses	44,199
Long-Term Liabilities Are Not Due and Payable in the Current Period, and Therefore Are Not Reported in the Funds	
General Obligation Notes Payable	(2,369,830)
Obligation Under Capital Lease	(15,173)
Compensated Absences	(87,379)
Net Assets of Governmental Activities	\$ 8,632,556

See Notes to Financial Statements.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balances - Government Funds  
Year Ended December 31, 2005**

	<u>General Fund</u>	<u>Open Space Fund</u>	<u>Debt Service Fund</u>
<b>Revenues Collected</b>			
Taxes	\$ 2,939,253	\$ 783,699	\$ 297,007
Intergovernmental Revenues	345,804	0	0
Charges for Services	519,382	0	0
Fines, Licenses and Permits	276,759	0	0
Interest Income and Rents	121,448	32,817	7,562
Miscellaneous Revenues	<u>390,080</u>	<u>0</u>	<u>0</u>
Total Revenues Collected	<u>4,592,726</u>	<u>816,516</u>	<u>304,569</u>
<b>Expenditures Paid</b>			
General Governmental	791,373	0	0
Public Safety	2,627,253	0	0
Highways	850,786	0	0
Parks and Recreation	8,213	0	0
Conservation and Development	0	17,079	0
Debt Service - Principal	14,583	0	183,202
Debt Service - Interest	1,191	0	84,886
Capital Expenditures	99,444	0	0
Miscellaneous Governmental	<u>8,151</u>	<u>0</u>	<u>0</u>
Total Expenditures Paid	<u>4,400,994</u>	<u>17,079</u>	<u>268,088</u>
Excess of Revenues Collected Over Expenditures Paid	191,732	799,437	36,481
<b>Fund Equity</b>			
Beginning of Year	<u>938,667</u>	<u>750,636</u>	<u>199,041</u>
End of Year	<u>\$ 1,130,399</u>	<u>\$ 1,550,072</u>	<u>\$ 235,522</u>

See Notes to Financial Statements.

<u>Other Governmental Funds</u>	<u>Total (Memorandum Only)</u>
\$ 471,372	\$ 4,491,330
288,109	633,913
5,760	525,142
0	276,759
14,545	176,372
0	390,080
<u>779,786</u>	<u>6,493,597</u>

0	791,373
142,336	2,769,589
285,000	1,135,786
43,265	51,478
0	17,079
0	197,785
0	86,077
17,237	116,681
0	8,151
<u>487,838</u>	<u>5,173,998</u>

291,949	1,319,599
<u>54,885</u>	<u>1,943,229</u>
<u>\$ 346,834</u>	<u>\$ 3,262,827</u>

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Reconciliation of the Net Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
December 31, 2005**

Net Change in Fund Balances - Total Governmental Funds	\$ 1,319,599
Amounts Reported for Governmental Activities in the Statement of Activities Are Different Because	
Governmental Funds Report Capital Outlays As Expenditures. However, in the Statement of Activities, the Cost of Those Assets is Allocated Over Their Estimated Useful Lives as Depreciation Expense. This is the Amount by Which Depreciation Expense of \$308,141 exceeded Capital Outlays in the Current Year.	(93,460)
Revenues in the Statement of Activities That Do Not Provide Current Financial Resources Are Not Reported As Revenues in the Funds.	
Taxes Receivable	115,096
Other Receivables	4,500
Repayment of Notes Payable Principal Is An Expenditure in the Governmental Funds, but the Repayment Reduces Liabilities in the Statement of Net Assets.	197,785
Some Expenses Reported in the Statement of Activities Do Not Require the Use of Current Financial Resources, and Therefore Are Not Reported As Expenditures in Governmental Funds:	
Prepaid Expenses	(14,553)
Compensated Absences	9,922
	9,922
Change in Net Assets of Governmental Activities	\$ 1,538,889

See Notes to Financial Statements.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Statement of Fiduciary Net Assets  
December 31, 2005**

	<u>Pension Trust Funds</u>	<u>Agency Fund</u>	<u>Total Fiduciary Funds</u>
<b>Assets</b>			
Cash	\$ 0	\$ 1,792,878	\$ 1,792,878
Investments	<u>5,837,200</u>	<u>0</u>	<u>5,837,200</u>
<b>Total Assets</b>	<b><u>\$ 5,837,200</u></b>	<b><u>\$ 1,792,878</u></b>	<b><u>\$ 7,630,078</u></b>
 <b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Due to Other Funds	\$ 0	\$ 537,743	\$ 537,743
Escrow Deposits	<u>0</u>	<u>1,255,135</u>	<u>1,255,135</u>
Total Liabilities	0	1,792,878	1,792,878
 <b>Net Assets</b>			
Held in Trust for Pension Benefits	<u>5,837,200</u>	<u>0</u>	<u>5,837,200</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 5,837,200</u></b>	<b><u>\$ 1,792,878</u></b>	<b><u>\$ 7,630,078</u></b>

See Notes to Financial Statements.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Statement of Changes in Fiduciary Net Assets  
Year Ended December 31, 2005**

Additions	
Contributions	
Commonwealth	\$ 155,119
Employer (Township)	<u>68,192</u>
Total Contributions	223,311
Investment Income	<u>341,184</u>
Total Additions	<u>564,495</u>
Deductions	
Benefits	487,195
Refund of Contributions	31,432
Insurance Premiums	4,069
Administrative Expenses	<u>1,000</u>
Total Deductions	<u>523,696</u>
Increase in Net Assets	40,798
Net Assets, Held in Trust	
Beginning of Year	<u>5,796,402</u>
End of Year	<u>\$ 5,837,200</u>

See Notes to Financial Statements.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Notes to Financial Statements**  
**December 31, 2005**

**1. Summary of Significant Accounting Policies**

Hilltown Township was incorporated in 1721, in Bucks County, Pennsylvania. The Township is classified as a "Township of the Second Class" under the laws of the Commonwealth of Pennsylvania and provides the following services as authorized by its charter: public safety, highways and streets, culture-recreation, public improvements, planning and zoning, and general and administrative services.

In June 1999, GASB unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain of the significant changes in the Statement include the following:

- A Management Discussion and Analysis (MD&A) section providing an analysis of the Township's overall financial position and changes in financial position.
- Financial statements prepared using full accrual accounting for all of the Township's activities, including infrastructure (roads, bridges, etc.).
- A change in the fund financial statements to focus on the major funds.

The Township complies with generally accepted accounting principles (GAAP) except as disclosed in Note 1A, Reporting Entity, below. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. In the government-wide financial statements, Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

**A. Reporting Entity**

The Township's financial reporting entity comprises the following:

Primary Government:	Hilltown Township
Component Unit:	Hilltown Township Water and Sewer Authority

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**A. Reporting Entity (Continued)**

Government Accounting Standards Board (GASB) Statement No. 14 requires Hilltown Township to include all component units in its annual financial statements. A component unit is defined as any legally separate entity which is controlled by and is financially accountable to the Township. Based upon the fact that the Township is responsible for appointing the Authority board members, the Hilltown Township Water and Sewer Authority (Authority) is considered a component unit of Hilltown Township. Accordingly, the Authority's financial activity would normally be included in the Township's financial statements under generally accepted accounting principles.

Management has elected to not include the financial activities of the Authority in the Township's financial statements. Therefore, these financial statements should be read in conjunction with the financial statements of the Authority. A copy of the Authority's financial statements can be obtained by writing to the Hilltown Township Water and Sewer Authority.

**B. Basis of Presentation**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the non-fiduciary activities of the reporting government as a whole. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Fiduciary funds are also excluded from the government-wide financial statements.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**B. Basis of Presentation (Continued)**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued)**

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each governmental program. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are allocated among the programs, functions, and segments using a full cost allocation approach and are presented separately to enhance comparability of direct expenses between governments that allocate direct expenses and those that do not. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the Township.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for other purposes result from special revenue funds and the restrictions on their net asset use.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**FUND FINANCIAL STATEMENTS**

The accounts of the Township are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures/expenses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. Funds are organized into two major categories: governmental and fiduciary.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**B. Basis of Presentation (Continued)**

**FUND FINANCIAL STATEMENTS (Continued)**

Fund financial statements report detailed information about the Township. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. A fund is considered major if it is the primary operating fund of the Township or if it meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The funds of the financial reporting entity are described below.

**Governmental Funds**

**General Fund** - The General Fund is the general operating fund of the Township and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes. The reporting entity includes the following special revenue funds:

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**B. Basis of Presentation (Continued)**

**FUND FINANCIAL STATEMENTS (Continued)**

**Governmental Funds (Continued)**

**Special Revenue Funds (Continued)**

<u>Fund</u>	<u>Description</u>	<u>Major Fund?</u>
Liquid Fuels	Accounts for revenues and expenditures of state liquid fuels grant funds	No
Street Light	Accounts for revenues and expenditures of street light tax funds	No
Fire Tax	Accounts for revenues and expenditures of fire protection tax funds	No
Open Space	Accounts for tax money received for protection of open space	Yes
Park and Recreation	Accounts for tax money received for parks and recreation	No

**Capital Projects Fund**

Capital projects funds are used to account for the acquisition or construction of capital assets. This fund is a non-major fund.

<u>Fund</u>	<u>Description</u>	<u>Major Fund?</u>
Capital Project	Accounts for the issuance of long-term debt to be spent for capital projects in the Township	No
Road Equipment	Accounts for tax money received for the purchase of road equipment	No

**Debt Service Fund** - This fund is established for the purpose of accumulating resources for the payment of principal and interest on long-term general obligation debt, and is considered a major fund.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**B. Basis of Presentation (Continued)**

**FUND FINANCIAL STATEMENTS (Continued)**

**Fiduciary Funds**

**Pension Trust Funds and Agency Funds** - Pension Trust Funds (which include the Police and Non-Uniform Pension Plans) and Agency Funds (which include the Developers Escrow Funds) are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Pension Trust Funds and Agency Funds are custodial in nature and do not involve measurement of results of operations.

**C. Measurement Focus and Basis of Accounting**

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide Statement of Net Assets and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

1. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
2. Fiduciary funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus and Basis of Accounting (Continued)**

**Basis of Accounting**

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

In the fund financial statements, governmental funds and fiduciary funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when "measurable and available." Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within 60 days after year end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported when due.

**D. Budgetary Data**

The following procedures are used by the Township in establishing budgetary data which is reflected in the financial statements.

1. The Township prepares and advertises a proposed budget at least 20 days before the budget is adopted.
2. Public hearings are conducted to obtain comments from taxpayers regarding the proposed budget.
3. The budget is formally adopted by the Council members prior to December 31.
4. The budget is prepared and adopted using the modified accrual basis of accounting, which is consistent with the basis used by the Township for financial reporting.
5. Amendments may be approved by the Board during the year.

The Township did not adopt a budget for the Open Space Fund, a major special revenue fund, and accordingly, no budget to actual comparison schedule has been presented as required supplementary information.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**E. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Assets. See Note 7 for details of interfund transactions, including receivables and payables at year end.

**F. Receivables**

In the government-wide statements, receivables consist of all revenues earned at year end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include real estate taxes, earned income taxes, franchise taxes, grants, and police fines.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as real estate tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with the modified accrual basis of accounting, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

**G. Fixed Assets**

The accounting treatment over property, plant, and equipment (fixed assets) depends on whether the assets are reported in the government-wide or fund financial statements.

**Government-wide Statements**

In the government-wide financial statements, fixed assets are accounted for as capital assets. All fixed assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated fixed assets which are recorded at their estimated fair value at the date of donation. Infrastructure costs incurred prior to January 1, 2004, have not been and are not required to be capitalized.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**G. Fixed Assets (Continued)**

**Government-wide Statements (Continued)**

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is shown below.

Classifications	Years
Buildings and Improvements	20-40
Equipment	5-10
Vehicles	5-10
Furniture and Fixtures	10
Traffic Lights	20
Infrastructure	40

**Fund Financial Statements**

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

**H. Long-Term Debt**

All long-term debt to be repaid from governmental resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures.

**I. Compensated Absences**

Township uniformed employees accumulate vacation and sick time in accordance with their contract. Uniformed employees can earn up to 192 hours of vacation time depending on their years of service. Uniformed employees may carry over 120 unused vacation hours per year.

Uniformed employees are entitled to up to 96 hours of sick leave per year. Sick time can be carried over, and up to 240 hours can be accumulated from year to year. Upon retirement or resignation, the employee is not paid for accumulated sick time.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**I. Compensated Absences (Continued)**

Township non-uniformed employees accumulate vacation and sick time in accordance with their contract. Non-uniformed employees can earn up to 184 hours of vacation time depending on their years of service. Non-uniformed employees may carry over 240 hours of vacation per year.

Non-uniformed employees are entitled to up to 96 hours of sick leave per year. Sick time can be carried over, and up to 240 hours of sick leave can be accumulated from year to year. Upon retirement, resignation or termination, non-uniformed employees are not paid for accumulated sick time.

The Township is liable to employees in the amount of \$87,379 for vested vacation pay at December 31, 2005.

**J. Equity Classifications**

**Government-Wide Statements**

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

1. **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 improvement of those assets.
2. **Restricted net assets** - Consists of net assets with constraints placed on the use either by a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or b) law through constitutional provisions or enabling legislation.
3. **Unrestricted Net Assets** - All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt".

**Fund Statements**

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**1. Summary of Significant Accounting Policies (Continued)**

**K. Expenditures/Expenses**

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character	Current (further classified by function)
	Debt Service
	Capital Outlay

In the fund financial statements, governmental funds report expenditures of financial resources.

**L. Interfund Transfers**

Permanent reallocation of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

**M. Estimates**

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

**2. Cash and Investments**

Cash and investments as of December 31, 2005, are classified in the accompanying financial statements as follows:

Statement of Net Assets:	
Cash	\$ 2,427,836
Fiduciary Funds:	
Investments	<u>5,837,200</u>
Total Cash and Investments	<u>\$ 8,265,036</u>

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**2. Cash and Investments (Continued)**

**A. Cash Deposits**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. All Township deposits are entirely insured or collateralized under a pooled asset program to secure public deposits, in accordance with Act 72 of the Commonwealth of Pennsylvania. As of December 31, 2005, \$4,276,919 of the Township's bank balance of \$4,376,919 was uninsured, but collateralized by securities held by the bank or by its trust department or agent but not in the Township's name.

**B. Investments**

At December 31, 2005, the Township's investments of \$5,837,200 were all held in fiduciary funds. The funds are invested in an external investment pool with the Pennsylvania Municipal Retirement System (PMRS) and are reported at fair value. PMRS functions as the investment and administrative agent for the Township's police and non-uniform pension plans (see Note 8).

**INVESTMENTS AUTHORIZED BY THE TOWNSHIP**

The Township does not currently have an investment policy as all of their governmental funds are held in bank accounts. Fiduciary investments are held and managed by PMRS.

**CREDIT RISK**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating organizations such as Moody's Investor Services (Moody's) and Standard & Poor's (S&P). The Township does not currently have a policy with regard to credit risk. The credit risk for the Township's investments held in trust with PMRS was not available at December 31, 2005.

**INTEREST RATE RISK**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in interest rates. The Township does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Information on the Township's interest rate risk on its fiduciary investments was not available to the Township at December 31, 2005.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Notes to Financial Statements**  
**December 31, 2005**

**3. Fiduciary Funds - Escrow Fund**

The Escrow Fund is an Agency Fund in that the Township has custodial capacity of funds deposited with it on behalf of developers and other applicants. At December 31, 2005, the Township had \$1,255,135 in escrow deposits.

**4. Property Taxes**

Taxes are levied on March 1, based on the assessed value established by the Bucks County Board of Assessments. Real property in the Township was originally assessed at \$194,617,560 for 2005. Property taxes attach as an enforceable lien on property as of January 15 of the following year. The Township receives all tax collections through its tax collector. The Township is legally permitted to levy up to 14 mills of assessed property valuation for general purposes (19 mills with court approval), and 3 mills for fire tax purposes. The Township had the following millage rates for the year ended December 31, 2005: general purposes, 2.9 mills; fire tax purposes, .75 mills; debt service, 1.5 mills; park and recreation purposes, .8 mills; road equipment, .8 mills.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Notes to Financial Statements**  
**December 31, 2005**

**5. Fixed Assets**

Capital asset activity for the year ended December 31, 2005, was as follows:

	<u>Balance</u> 1/1/05	<u>Additions</u>	<u>Disposals</u>	<u>Balance</u> 12/31/05
<b>Governmental Activities</b>				
Assets Not Being Depreciated				
Land	\$ 2,528,404	\$ 0	\$ 0	\$ 2,528,404
Depreciable Assets				
Land/Park Improvements	392,472	0	0	392,472
Buildings and Improvements	3,244,888	0	0	3,244,888
Equipment	1,129,464	55,739	0	1,185,203
Vehicles	1,228,906	59,503	53,068	1,235,341
Furniture and Fixtures	74,740	1,439	0	76,179
Traffic Lights	20,920	0	0	20,920
Infrastructure	585,932	98,000 *	0	683,932
Total at Historical Cost	<u>9,205,726</u>	<u>214,681</u>	<u>53,068</u>	<u>9,367,339</u>
Less Accumulated Depreciation				
Land/Park Improvements	73,809	9,812	0	83,621
Buildings and Improvements	673,210	81,123	0	754,333
Equipment	806,349	55,954	0	862,303
Vehicles	770,071	142,835	53,068	859,838
Furniture and Fixtures	57,842	2,519	0	60,361
Traffic Lights	784	1,046	0	1,830
Infrastructure	1,221	14,852	0	16,073
Total Accumulated Depreciation	<u>2,383,286</u>	<u>308,141</u>	<u>53,068</u>	<u>2,638,359</u>
Total Governmental Activities				
Net Capital Assets	<u>\$ 6,822,440</u>	<u>\$ (93,460)</u>	<u>\$ 0</u>	<u>\$ 6,728,980</u>

\* Includes streets dedicated to the Township in the amount of \$98,000.

Depreciation expense was charged to programs as follows:

Governmental Activities	
General Government	\$ 63,183
Police	88,981
Highway Maintenance	140,555
Fire	64
Park	15,358
Total Depreciation Expense	<u>\$ 308,141</u>

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**6. Long-Term Note**

The Township's General Long-Term Note changed during the year as follows:

Balance at January 1, 2005	\$ 2,553,032
Principal Payments	<u>(183,202)</u>
Balance at December 31, 2005	<u>\$ 2,369,830</u>

**2002 General Obligation Note**

On January 8, 2002, the Township issued a General Obligation Note in the amount of \$3,000,000. The interest rate on this note is 3.3% per annum through January 2007 and, thereafter, 60% of the bank's base rate with a maximum of 5.5%. The note was issued for the purpose of refunding the 1999 General Obligation Note, constructing a new public works maintenance building, and making park and recreation improvements. The note was issued as non-electoral debt. The Township has pledged its full faith, credit, and taxing power, and is required to include in its budget for each year the amount of debt service on the note which will be payable in such fiscal year. The debt service requirements are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>Interest</u>	<u>Total Debt Service</u>
2006	\$ 189,231	3.3%	\$ 75,879	\$ 265,110
2007	195,554	3.3%	69,556	265,110
2008	202,087	3.3%	63,023	265,110
2009	208,839	3.3%	56,271	265,110
2010	215,817	3.3%	49,293	265,110
2011-2015	1,192,182	3.3%	133,368	1,325,550
2016	<u>166,120</u>	3.3%	<u>2,500</u>	<u>168,620</u>
	<u>\$ 2,369,830</u>		<u>\$ 449,890</u>	<u>\$ 2,819,720</u>

Interest expense was \$84,886 for the year.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**7. Interfund Transactions**

Interfund transactions are as follows:

Purpose	Receivable Fund	Payable Fund	Amount
<b>Due to/from</b>			
Contributions Received with Escrow Deposits	General	Escrow	\$537,743
Net Funds Advanced for Operating Costs	Street Light	General	\$1,892
Tax Funds Received by Wrong Fund	Fire Tax	General	\$898
Tax Funds Received by Wrong Fund	Debt Service	General	\$1,996
Tax Funds Received by Wrong Fund	Debt Service	Fire	\$2,600

**8. Defined Benefit Pension Plans**

**A. Description of Plans**

The Township contributes to two public employee retirement systems (PERS), one for its police employees and one for its non-uniformed employees, established in 1980 by resolutions 80-16 and 80-15, respectively. The plans provide retirement, disability, and death benefits to police officers and non-uniformed employees. Both plans are part of the Pennsylvania Municipal Retirement System (PMRS), which is an agent multiple-employer public employees' retirement system (PERS). It is the responsibility of PMRS to function as the investment and administrative agent for the Township with respect to the plans. PMRS maintains each municipality's plans separately with that municipality's contributions and related employees' contributions and account earnings and activity. Assets are held separately and may only be used for the payment of benefits to members of the plans.

Additional disclosures required by GASB Statement No. 25 are contained in a separate financial report of each of the plans prepared by PMRS. A copy of the plans' financial statements can be obtained by writing to the Pennsylvania Municipal Retirement System, P.O. Box 1165, Harrisburg, PA 17108-1165.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**8. Defined Benefit Pension Plans (Continued)**

**B. Funding Policy**

The Township's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The employer's contribution rate for normal cost is determined using the entry age normal actuarial funding method. Normal cost is funded on a current basis. Under Act 205 of 1984, the unfunded actuarial accrued liability is amortized as a level dollar amount over the lesser of:

- 1)
  - 30 years, with respect to the initial liability as of 1/1/85 (or first valuation);
  - 20 years, with respect to changes due to plan provisions and actuarial assumptions;
  - 10 years, with respect to changes in benefits for currently retired members;
  - 15 years, with respect to actuarial gains and losses; or
- 2) The average assumed working lifetime of active employees as of the date the liability was established.

The Township's covered employees may be required to contribute a percentage of their monthly salary to the employees' PERS as noted above. The Township is required to contribute the remaining amounts necessary to fund the plans, using the actuarial basis specified by state statute. The Commonwealth of Pennsylvania also provides funds (distribution of foreign casualty insurance premium taxes) to the Township, which are used by the Township in making its regular contributions to the plans.

Other significant actuarial assumptions used to compute the actuarially determined contribution requirements are as follows:

- 1) The present value of future pension payments was computed by using a discount rate of 6.0%. The discount rate is equal to the estimated long-term rate of return on current and future investments of the pension plan.
- 2) The estimated long-term rate of return on investments is 6.0%.
- 3) Future pension payments reflect an average assumption of a 4.7% salary increase (3.0% for inflation, plus age-related scale to reflect merit and promotion).

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**8. Defined Benefit Pension Plans (Continued)**

**C. Annual Pension Cost and Net Pension Obligation**

During 1998, the Township adopted GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*. This statement sets forth provisions for recognizing annual pension cost, a net pension obligation or asset, and disclosure thereof.

The Township's annual pension cost and change in the net pension asset for the current year were calculated as follows:

	<u>Police</u>	<u>Non-Uniform</u>
Annual Required Contribution	\$ 162,113	\$ 61,138
Interest on Net Pension Obligation	(1,870)	(1,597)
Adjustment to Annual Required Contribution	<u>3,209</u>	<u>2,740</u>
Annual Pension Cost	163,452	62,281
Contribution Made	<u>162,113</u>	<u>61,138</u>
Decrease in Net Pension Asset	(1,339)	(1,143)
Net Pension Asset		
Beginning of Year	<u>31,167</u>	<u>26,612</u>
End of Year	<u>\$ 29,828</u>	<u>\$ 25,469</u>

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**8. Defined Benefit Pension Plans (Continued)**

**C. Annual Pension Cost and Net Pension Obligation (Continued)**

The annual required contribution for the current year was determined as part of the January 1, 2005, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 6.5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 5.2%.

**Three-Year Trend Information**

Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
<b>Police Pension Plan</b>			
12/31/03	\$116,205	98.8%	\$32,628
12/31/04	\$112,607	98.7%	\$31,167
12/31/05	\$163,452	100.8%	\$29,820
<b>Non-Uniform Pension Plan</b>			
12/31/03	\$51,714	97.7%	\$27,860
12/31/04	\$49,473	97.5%	\$26,612
12/31/05	\$62,281	101.8%	\$25,469

**D. Trend Information**

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Generally accepted accounting principles require trend information for ten years to be presented as required supplementary information. Trend information may be found beginning on page 45.

**9. Related Party Transactions**

During the year, the Township received \$32,400 from the Hilltown Township Water and Sewer Authority for cell tower rentals.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Notes to Financial Statements  
December 31, 2005**

**10. Prior Period Adjustment**

During the current year, it was noted that earned income tax receivables had not been calculated to project receivables past the amounts received in the first sixty days of the subsequent year. When the receivable at December 31, 2004, was recalculated, it resulted in a prior period adjustment to the governmental net assets as follows:

Net Assets, As Originally Reported at December 31, 2004	\$ 6,218,786
Record Additional Taxes Receivable	<u>874,882</u>
Net Assets, As Restated at December 31, 2004	<u>\$ 7,093,668</u>

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Required Supplementary Information**  
**Schedule of Funding Progress**  
**December 31, 2005**  
**(Unaudited)**

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability	(3) Percentage Funded (1)/(2)	(4) Unfunded (assets in excess of) Actuarial Accrued Liability (2)-(1)	(5) Projected Annual Covered Payroll	(6) Unfunded (assets in excess of) Actuarial Accrued Liability as % of Payroll (4)/(5)
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**POLICE PENSION PLAN**

1/1/96	\$2,043,133	\$1,876,794	108.9%	\$(166,339)	\$668,676	(24.88)%
1/1/97	\$2,688,298	\$2,524,987	106.5%	\$(163,311)	\$746,017	(21.89)%
1/1/99	\$3,769,549	\$3,491,870	108.0%	\$(277,679)	\$886,835	(31.31)%
1/1/01	\$5,182,924	\$4,876,860	106.2%	\$(306,064)	\$1,010,724	(30.20)%
1/1/03	\$5,848,138	\$5,775,579	101.3%	\$(72,559)	\$1,180,364	(6.15)%
1/1/05	\$6,539,092	\$6,951,001	94.1%	\$411,909	\$1,383,291	29.8%

**NON-UNIFORM PENSION PLAN**

1/1/96	\$562,379	\$386,923	145.3%	\$(175,456)	\$390,083	(44.98)%
1/1/97	\$673,260	\$596,630	112.84%	\$(76,630)	\$413,280	(18.54)%
1/1/99	\$949,652	\$851,495	111.52%	\$(98,157)	\$511,850	(19.17)%
1/1/01	\$1,356,512	\$1,277,598	106.1%	\$(78,914)	\$601,391	(13.10)%
1/1/03	\$1,606,243	\$1,571,707	102.2%	\$(34,536)	\$800,926	(4.31)%
1/1/05	\$1,911,609	\$1,964,333	97.3%	\$52,724	\$878,957	5.0%

Isolated analysis of the dollar amounts of net assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability can be misleading. Expressing the net assets available for benefits as a percentage of the actuarial accrued liability provides one indication of the Township's police PERS funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the PERS. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the PERS.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Required Supplementary Information**  
**Schedule of Contributions from Employers and Other Contributing Entities**  
**December 31, 2005**  
**(Unaudited)**

<u>Year</u>	<u>Annual Required Contribution (ARC)</u>	<u>Employer Contribution</u>	<u>State Aid</u>	<u>Contributions as a % of ARC</u>
<b>POLICE PENSION PLAN</b>				
1996	\$99,772	\$32,902	\$66,870	100.0%
1997	\$126,752	\$50,292	\$76,460	100.0%
1998	\$135,628	\$46,782	\$88,846	100.0%
1999	\$112,514	\$39,692	\$72,822	100.0%
2000	\$116,122	\$28,584	\$87,538	100.0%
2001	\$108,316	\$11,172	\$97,144	100.0%
2002	\$114,551	\$17,295	\$97,256	100.0%
2003	\$114,797	\$0	\$114,787	100.0%
2004	\$111,146	\$9,249	\$101,897	100.0%
2005	\$162,113	\$53,530	\$108,583	100.0%

<b>NON-UNIFORM PENSION PLAN</b>				
1996	\$25,041	\$8,323	\$16,718	100.0%
1997	\$29,109	\$11,174	\$17,935	100.0%
1998	\$31,871	\$11,031	\$20,840	100.0%
1999	\$34,777	\$12,282	\$22,495	100.0%
2000	\$41,615	\$10,858	\$30,757	100.0%
2001	\$39,633	\$15,357	\$24,276	100.0%
2002	\$43,013	\$18,699	\$24,314	100.0%
2003	\$50,512	\$20,589	\$29,923	100.0%
2004	\$48,225	\$4,555	\$43,670	100.0%
2005	\$61,138	\$14,602	\$46,536	100.0%

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Required Supplementary Information  
Schedule of Actuarial Assumptions  
December 31, 2005  
(Unaudited)**

The information presented in the required supplemental schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows.

	<u>Police</u>	<u>Non-Uniform</u>
Valuation Date	1/1/05	1/1/05
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Dollar Closed	Level Dollar Closed
Amortization Period	20 Years	20 Years
Asset Valuation Method	Fair Value	Fair Value
Actuarial Assumptions		
Investment Rate of Return	6.0%	6.0%
Projected Salary Increases	3.0%	3.0%
Cost of Living Adjustments	3.0%	3.0%

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balances - Budget and Actual  
General Fund  
Year Ended December 31, 2005**

	Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Taxes	\$ 2,721,360	\$ 2,939,253	\$ 217,893
Intergovernmental Revenues	302,369	345,804	43,435
Charges for Services	513,921	519,382	5,461
Fees, Licenses and Permits	236,350	276,759	40,409
Interest and Rents	35,300	121,448	86,148
Miscellaneous Revenues	183,027	390,080	207,053
Total Revenues	3,992,327	4,592,726	600,399
<b>Expenditures</b>			
General Governmental	766,487	791,373	(24,886)
Public Safety	2,626,442	2,627,253	(811)
Highways	850,902	850,786	116
Parks and Recreation	1,400	8,213	(6,813)
Debt Service - Principal	14,583	14,583	0
Debt Service - Interest	1,191	1,191	0
Capital Expenditures	146,322	99,444	46,878
Miscellaneous Governmental	69,800	8,151	61,649
Total Expenditures	4,477,127	4,400,994	76,133
Excess (Deficiency) of Revenues Over Expenditures	(484,800)	191,732	676,532
<b>Other Financing Sources (Uses)</b>			
Transfers from Other Funds	459,800	0	(459,800)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ (25,000)	\$ 191,732	\$ 216,732

See Notes to Financial Statements.

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Notes to Schedules of Budget to Actual Comparisons**  
**Year Ended December 31, 2005**

**1. Basis of Presentation**

The Township has prepared the Schedule of Budget to Actual Comparisons using the same format as the Statement of Revenues, Expenditures, and Changes in Fund Balances.

The Township did not amend its 2005 budget as originally adopted and, therefore, is presenting its original and final budget in one column for each fund presented.

**2. Differences in Budget Basis versus GAAP Basis**

Miscellaneous governmental expenditures are budgeted for as such. Actual expenses have been allocated to activities.

**HILLTOWN TOWNSHIP  
BUCKS COUNTY, PA  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2005**

	<u>Fire Tax Fund</u>	<u>Street Light Fund</u>	<u>Liquid Fuels Fund</u>
<b>Assets</b>			
Cash	\$ 1,130	\$ 0	\$ 31,835
Taxes Receivable	3,492	165	0
Due (to) from Other Funds	<u>(1,702)</u>	<u>1,892</u>	<u>0</u>
<b>Total Assets</b>	<b><u>\$ 2,919</u></b>	<b><u>\$ 2,057</u></b>	<b><u>\$ 31,835</u></b>
 <b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$ 0	\$ 0	\$ 707
Deferred Revenue	<u>2,617</u>	<u>112</u>	<u>0</u>
Total Liabilities	<u>2,617</u>	<u>112</u>	<u>707</u>
 <b>Fund Balances</b>			
Unreserved, reported in			
Special Revenue Funds	302	1,945	31,128
Capital Project Funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Fund Balances	<u>302</u>	<u>1,945</u>	<u>31,128</u>
<b>Total Liabilities and Fund Balances</b>	<b><u>\$ 2,919</u></b>	<b><u>\$ 2,057</u></b>	<b><u>\$ 31,835</u></b>

See Notes to Financial Statements.

<u>Park &amp; Recreation Fund</u>	<u>Road Equipment Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 109,280	\$ 157,006	\$ 44,421	\$ 343,671
3,157	3,157	0	9,970
<u>0</u>	<u>0</u>	<u>0</u>	<u>190</u>
<u>\$ 112,436</u>	<u>\$ 160,163</u>	<u>\$ 44,421</u>	<u>\$ 353,831</u>

\$ 0	\$ 0	\$ 0	\$ 707
<u>1,780</u>	<u>1,780</u>	<u>0</u>	<u>6,290</u>
<u>1,780</u>	<u>1,780</u>	<u>0</u>	<u>6,997</u>

110,656	0	0	144,030
<u>0</u>	<u>158,383</u>	<u>44,421</u>	<u>202,804</u>
<u>110,656</u>	<u>158,383</u>	<u>44,421</u>	<u>346,834</u>
<u>\$ 112,436</u>	<u>\$ 160,163</u>	<u>\$ 44,421</u>	<u>\$ 353,831</u>

**HILLTOWN TOWNSHIP**  
**BUCKS COUNTY, PA**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances - Nonmajor Governmental Funds**  
**Year Ended December 31, 2005**

	Fire Tax Fund	Street Light Fund	Liquid Fuels Fund
<b>Revenues Collected</b>			
Taxes	\$ 149,054	\$ 12,344	\$ 0
Intergovernmental Revenues	0	0	288,109
Charges for Services	0	0	0
Interest Income and Rents	2,140	0	4,979
Total Revenues Collected	<u>151,193</u>	<u>12,344</u>	<u>293,088</u>
<b>Expenditures Paid</b>			
Public Safety	142,336	0	0
Highways	0	17,046	267,954
Parks and Recreation	0	0	0
Capital Expenditures	7,683	0	0
Total Expenditures Paid	<u>150,019</u>	<u>17,046</u>	<u>267,954</u>
Excess (Deficiency) of Revenues Collected Over Expenditures Paid	1,174	(4,702)	25,134
<b>Fund Equity</b>			
Beginning of Year	<u>(872)</u>	<u>6,647</u>	<u>5,993</u>
End of Year	<u>\$ 302</u>	<u>\$ 1,945</u>	<u>\$ 31,128</u>

See Notes to Financial Statements.

<u>Park &amp; Recreation Fund</u>	<u>Road Equipment Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 154,987	\$ 154,987	\$ 0	\$ 471,372
0	0	0	288,109
5,760	0	0	5,760
<u>2,727</u>	<u>3,395</u>	<u>1,304</u>	<u>14,545</u>
<u>163,475</u>	<u>158,383</u>	<u>1,304</u>	<u>779,786</u>
0	0	0	142,336
0	0	0	285,000
43,265	0	0	43,265
<u>9,554</u>	<u>0</u>	<u>0</u>	<u>17,237</u>
<u>52,819</u>	<u>0</u>	<u>0</u>	<u>487,838</u>
110,656	158,383	1,304	291,949
<u>0</u>	<u>0</u>	<u>43,117</u>	<u>54,885</u>
<u>\$ 110,656</u>	<u>\$ 158,383</u>	<u>\$ 44,421</u>	<u>\$ 346,834</u>