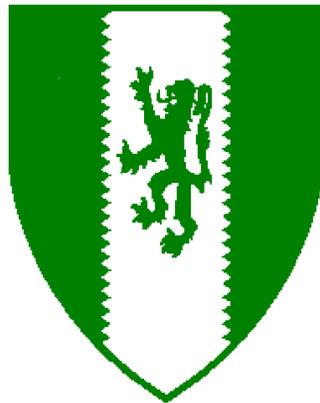


***Township of O'Hara,
Pennsylvania***

Annual Comprehensive Financial Report

For The Year Ended December 31, 2022



TOWNSHIP OF O'HARA

COMMONWEALTH OF PENNSYLVANIA

Annual Comprehensive Financial Report

For the Year Ended December 31, 2022

Prepared by:

Julie A. Jakubec, CPA, CGMA
Township Manager

Joyce Murdy, Clerk, Secretary

**TOWNSHIP OF O'HARA, PENNSYLVANIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022**

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1
GFOA Certificate of Achievement	4
Organizational Chart	5
List of Principal Officials	6

FINANCIAL SECTION

Independent Auditor's Report	7
Management's Discussion and Analysis	11

Basic Financial Statements:

Government-wide Financial Statements:	
Statement of Net Position	23
Statement of Activities	24
Fund Financial Statements:	
Balance Sheet - Governmental Funds	25
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	26
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	27
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	29
Statement of Net Position - Proprietary Funds	30
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	31
Statement of Cash Flows - Proprietary Funds	32
Statement of Fiduciary Net Position	33
Statement of Changes in Fiduciary Net Position	34
Notes to Financial Statements	35

Required Supplementary Information:

Schedule of Changes in the Plan Net Pension Liability (Asset) and Related Ratios:	
Municipal Employees' Plan	69
Police Plan	70
Schedules of Plan Contributions and Investment Returns.....	71
Notes to Schedules of Required Supplementary Information	72

**TOWNSHIP OF O'HARA, PENNSYLVANIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022**

TABLE OF CONTENTS

(Continued)

Combining and Individual Fund Financial Statements and Schedules:

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual - Highway Aid Fund.....	74
Pension Combining Statements:	
Combining Statement of Fiduciary Net Position	75
Combining Statement of Changes in Fiduciary Net Position	76

STATISTICAL SECTION

Financial Trends:

Net Position by Component	77
Changes in Net Position	78
Governmental Activities Tax Revenues by Source.....	80
Fund Balances of Governmental Funds.....	81
Changes in Fund Balances of Governmental Funds.....	82
General Governmental Tax Revenues by Source.....	83
Municipal Earned Income Tax Revenues Base and Collections	84

Revenue Capacity:

Assessed Value and Estimated Actual Value of Taxable Property	85
Property Tax Rates - Direct and Overlapping Governments	86
Principal Property Taxpayers	87
Property Tax Levies and Collections	88

Debt Capacity:

Ratios of Outstanding Debt by Type	89
Ratios of General Bonded Debt Outstanding	90
Direct and Overlapping Governmental Activities Debt	91
Legal Debt Margin Information.....	92
Pledged-Revenue Coverage	93

Demographic and Economic Information:

Demographic and Economic Statistics	94
Principal Employers	95

Operating Information:

Full-time Equivalent Township Employees by Function.....	96
Operating Indicators by Function	97
Capital Asset Statistics by Function	98



Township of O'Hara

325 Fox Chapel Road • Pittsburgh, PA 15238 • Telephone: 412-782-1400 • Fax: 412-782-4530

Township Council

Robert John Smith
President

Cassandra R. Eccles
Vice President

Richard S. Hughes

George H. Stewart

Michael F. Hammill

Olivia T. Payne

John R. Denny, Jr.

Township Manager

Julie A. Jakubec, CPA, CGMA

June 28, 2023

Honorable Council President, Council Members, Township Treasurer and Township Residents:

I am pleased to present to you the Annual Comprehensive Financial Report for the year ended December 31, 2022 for the Township of O'Hara, Pennsylvania (Township).

The Management of the Township assumes all responsibility for completeness and reliability of the information contained in this Annual Comprehensive Financial Report. This responsibility is based on a comprehensive framework of internal control that has been developed for this purpose. Due to the fact that the cost of internal controls should not be greater than the derived benefit, the objective is to provide reasonable assurance, not absolute, that the Township financial statements are free of any material misstatements.

Maher Duessel, Certified Public Accountants have issued an unmodified opinion on the Township's financial statements for the year ended December 31, 2022. The Independent Auditor's Report is located at the front of the financial section of this report.

The Management's Discussion and Analysis (MD&A) is right after the Independent Auditor's Report. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A compliments the letter of transmittal and should be read along with it.

Governmental Structure, Local Economic Condition, and Outlook

The Township was incorporated in 1875 as a First-Class Township of the Commonwealth of Pennsylvania. In 1976, through voter referendum, the Township adopted a Home Rule Charter providing for a Council-Manager form of government.

The Township is located in the western part of the state occupying 7.33 square miles north of the Allegheny River. The current population of the Township per the 2020 census is 9,284. The Township is empowered to levy property taxes on residences within its borders and earned income taxes on individuals who live within the Township.

The Council-Manager form of government provides an elected Council with two at-large members and one member being elected from each of the five wards in the Township. Each Council member is elected to a four-year term. The Council has legislative control over finances and

policy. The direction and supervision of the day-to-day operations of the Township resides with the Township Manager.

The Township is in a unique economic position, which includes industrial, commercial, and residential developments. For example, the location of the Regional Industrial Development Corporation (RIDC) Park within the Township boundaries provides a steady economic base. Due to this development and others within the Township borders, the Township has avoided some of the problems suffered by other communities associated with the decline of Western Pennsylvania's traditional industries. The Township's close proximity to the City of Pittsburgh also strengthens the community's economic outlook.

The future of the Township appears to be economically sound with the proposal of both new commercial and residential developments such as major renovations to a building in the RIDC Industrial Park and new forty-two-unit townhome community. It should be noted that as the Township's undeveloped land decreases, a general slowing of economic growth can be anticipated and planning is being done accordingly.

Long-term Financial Planning

The Township experienced some continued effects of COVID-19 in 2022. A reduction in Local Services Tax was seen as employers continued to have employees work from home. A much higher than anticipated Real Estate Transfer Tax helped offset that reduction along with an unexpected increase in Earned Income Tax. The Township did forgo certain expenditures to ensure financial stability due to the uncertainty for future COVID-19 waves. Also, the Township experienced catastrophic flooding in July of 2018 and 2019. The Township had to expend monies from the stabilization fund balance to cover flood expenses as well as borrow funds in the 2018 bond issue for flood repairs and a major sewer line extension project. The Township is still recovering from the flooding and is still concerned on the financial effects of COVID-19 and only replenished the stabilization account with \$75,000. Council has committed to rebuilding the stabilization account over the next two (2) years.

The Township also continues to exercise the prudent person rule on all financial matters. The Township aggressively seeks the lowest cost on all acquisitions and actively seeks all revenues owed to the Township.

Major Initiatives

The Township staff has been involved in numerous projects throughout the year. These projects reflect the Township's continued commitment to ensure that its residents are able to live and work in a desirable environment.

The Township continued with its road milling and resurfacing program.

The Township continued its commitment to first responders and purchased two new police vehicles in 2022.

For the future, the Township plans to continue its aggressive road resurfacing and milling program. The Township is also continuing to study the expansion of the Township's sanitary sewer system to include areas in the Township that currently have no sanitary sewer service.

Budget Process

The Township must adopt an annual budget for the subsequent year by December 31st. The Township maintains budgetary control at the departmental level. Department heads may transfer funds within their department's budget when a shortage occurs in a line item. In the event that there are not sufficient funds in a department's budget to cover shortfalls, an ordinance must be passed by Council to amend the budget if Council so chooses.

The government also maintains an encumbrance accounting system as an additional level of budgetary control. All open encumbrances at the end of the year lapse and must be reappropriated in the following year's budget.

As illustrated by the statements and schedules included in the financial section of this report, the Township continues to meet its responsibility for sound and prudent fiscal management.

Awards

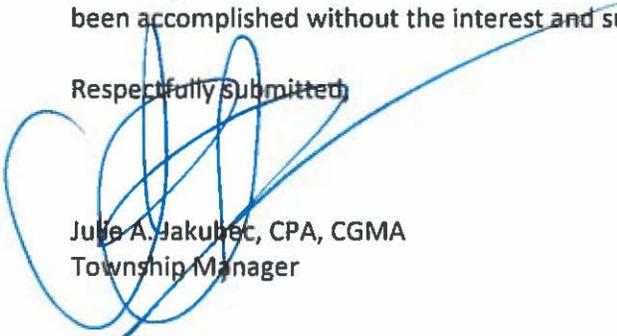
The Governmental Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the Township for its Annual Comprehensive Financial Report for the year ended December 31, 2022. In order to be awarded a Certificate of Achievement, the government published an easily understandable and well organized Annual Comprehensive Financial Report. The Township's report satisfied both Generally Accepted Accounting Principles and applicable legal requirements.

The Certificate is valid for a one-year period only. We believe that the Township's current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements.

Acknowledgements

The preparation of this report could not have been done without the assistance of Joyce Murdy, Secretary/Clerk, and the finance and administrative staff of the Township. It also could not have been accomplished without the interest and support of Council.

Respectfully Submitted,


Julie A. Jakubec, CPA, CGMA
Township Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Township of O'Hara
Pennsylvania**

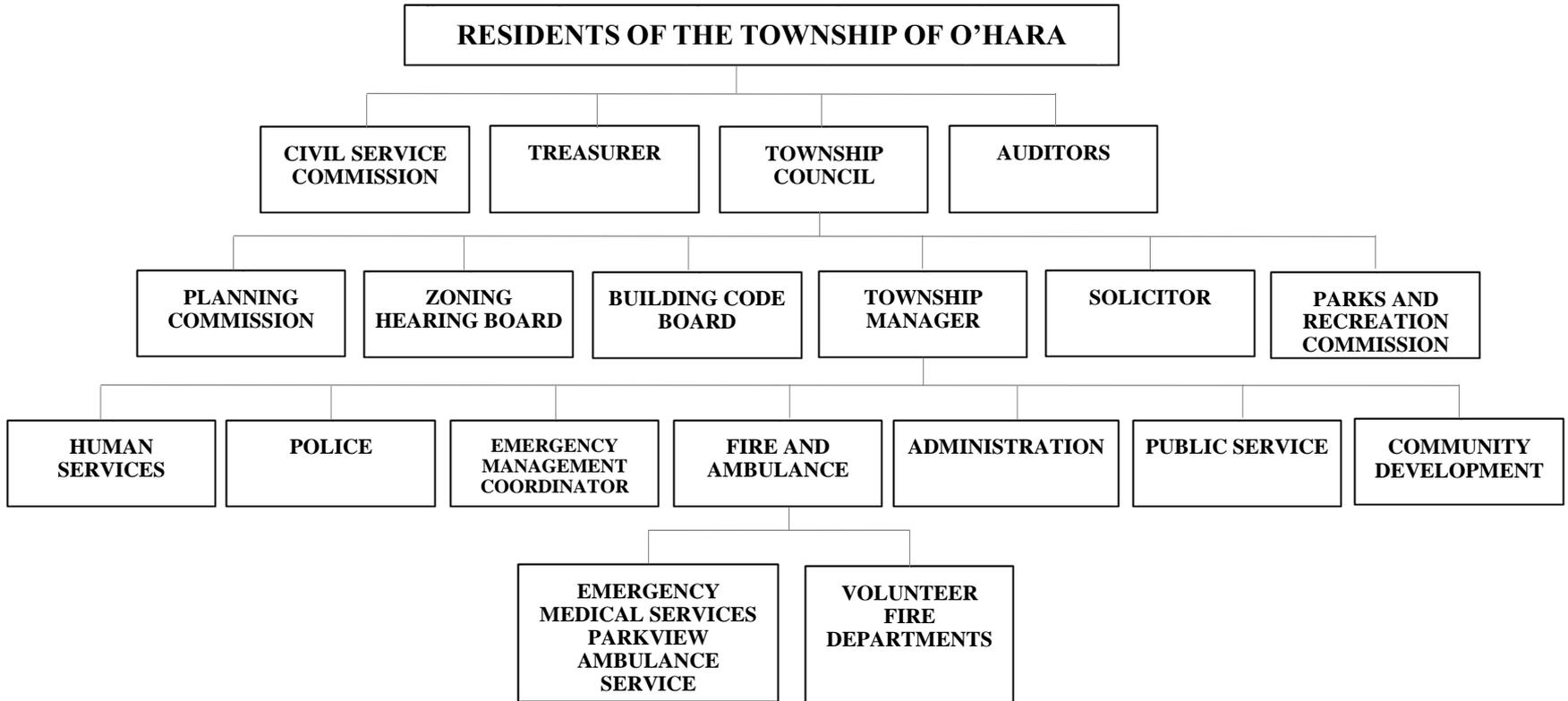
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

TOWNSHIP OF O'HARA ORGANIZATION CHART



TOWNSHIP OF O'HARA, PENNSYLVANIA

List of Principal Officials

Robert J. Smith – Council President – At-Large

Cassandra Eccles – Council Vice-President – Fifth Ward

Council Members

Richard S. Hughes – First Ward

George Stewart – Second Ward

Mike Hammill – Third Ward

Olivia T. Payne – Fourth Ward

John R. Denny – At-Large

Greg Capprara – Treasurer

Officials

Julie A. Jakubec, CPA, CGMA – Township Manager

Buchanan Ingersoll & Rooney – Solicitor

Charles W. Steinert, Jr., P.E. – Engineer

Todd Giammatteo – Public Service Superintendent

Christopher Komora – Special Projects Coordinator/
Code Enforcement Officer

Jay R. Davis – Superintendent of Police

Jalen Bryd – Social Services Coordinator

Independent Auditor's Report

**Members of Council
Township of O'Hara, Pennsylvania**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of O'Hara, Pennsylvania (Township), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Township, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Township's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Township's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information listed in the table of contents. The other information listed in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Maher Duessel

Pittsburgh, Pennsylvania
June 28, 2023

Management's Discussion and Analysis

As the management of the Township of O'Hara, Pennsylvania (Township), we offer the readers of the Township's financial statements a narrative overview and analysis of the financial activities of the Township for the year ended December 31, 2022. We recommend that the readers of the Management's Discussion and Analysis consider the information presented herein with the information presented in the Letter of Transmittal on pages 1 through 3.

Financial Highlights

In 2022, the Township, the entire nation and world continued to experience the effects of a global pandemic because of COVID-19. This event continued to affect the Township's finances. When the pandemic began to enter the United States in 2020, efforts were made to reduce Township expenditures in anticipation of the possible impact on Township revenues. These efforts continued in 2022. Unfortunately, other unanticipated expenditures did occur in 2022. Highlights of the Township finances are:

1. The assets and deferred outflows of resources of the Township exceeded its liabilities and deferred inflows of resources by \$22,346,595. Of this amount, \$4,221,098 is liquid and is available to meet the Township's ongoing obligations.
2. The Township's net position increased by \$824,388. This is mainly the result of a large increase in transfer tax as the result of an increase in both commercial and residential property sales, an unexpected increase in earned income tax, the Township's reduction in spending as a result of the COVID-19 pandemic and receipt and recognition of the American Rescue Plan monies. This would have been larger if unanticipated expenditures discussed later in this document did not occur.
3. The Township's combined governmental fund balances increased by \$737,018. This is the result of higher-than-expected real estate transfer tax revenues, unexpected increase in earned income taxes, a planned decrease in expenditures as a result of the COVID-19 pandemic, and the receipt and recognition of the American Rescue Plan monies. This would have been higher if it was not for the unanticipated expenditures discussed later in this document.
4. The Township's General Fund balance increased by \$539,578. This is mainly the result of an unexpected increase in real estate transfer taxes, an unexpected increase in earned income taxes, a planned reduction in expenditures because of the COVID-19 pandemic and receipt and recognition of the American Rescue Plan monies. This would have been higher if it was not for the unanticipated expenditures discussed later in this document.

Overview of the Financial Statements

The Management's Discussion and Analysis is intended to serve as an introduction to the Township's basic financial statements. The Township's basic financial statements consist of three items:

1. the government-wide financial statements
2. the fund financial statements
3. notes to financial statements

The report also contains other supplementary information that is in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are structured to provide the readers with a broad overview of the Township's finances. These statements are designed in a manner similar to private businesses.

The statement of net position contains information on all of the Township's assets and liabilities. The difference between the Township's assets and liabilities is reported as net position. Increases and decreases in net position over time may indicate whether the financial position of the Township is improving, remaining unchanged, or decreasing.

The statement of activities shows information related to how the Township's net positions changed during the fiscal year. All changes in net position are reported once the principle event resulting in a cause for change occurs. This is done regardless of the timing of any related cash flows. Therefore, some revenues and expenses are reported in the statement for certain items that will result in cash flows in future years.

Both types of government-wide financial statements demonstrate functions of the Township that are mainly supported by taxes and/or intergovernmental revenues from other functions that are intended to recover some or all of their costs. The governmental activities of the Township include general government, public safety, sanitation, highways and streets, and culture and recreation. The business-type activities of the Township relate to the Township's sanitary sewer and stormwater systems. The government-wide financial statements of the Township only relate to the Township. The Township has no component units.

The government-wide financial statements are included on pages 23 and 24 of this report.

Fund Financial Statements

A fund is a group of related accounts that are used to maintain control over specific resources that have been set aside for a specific activity or objective. The Township utilizes fund accounting to maintain and demonstrate compliance with certain finance-related legal and contractual requirements. The funds of the Township can be categorized into three categories: governmental, proprietary, and fiduciary.

Governmental funds. Governmental funds are used to account for basically the same functions that are reported as governmental activities in the government-wide financial statements. Governmental funds, unlike the government-wide financial statements, focus on the near-term inflows and outflows of spendable resources. These funds also focus on the balances of spendable resources that are available at the end of the reporting year. This information can be helpful in assisting users to evaluate the near-term financing requirements of the government.

The governmental fund financial statements present a view that is narrower than the government-wide financial statements. A comparison of the information presented in the two statements may be helpful for users to understand the financial position of the Township. The governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide reconciliations to the government-wide financial statements to aid in the comparison of the two sets of statements.

The Township maintains two separate governmental funds. Information is disclosed separately in the governmental fund balance sheet and the statement of revenues, expenditures, and changes in fund balance for the General Fund and the non-major Highway Aid Fund.

The Township is required to adopt an annual budget for its General Fund. A budgetary comparison statement is included with the financial statements to demonstrate the Township's compliance with its legally adopted budget.

The fund financial statements are on pages 25-29 of this report.

Proprietary funds. The Township maintains two proprietary funds. Enterprise funds are utilized to report the business-type activities of the Township. The Sanitary Sewer Fund relates to the operations of the Township's sanitary sewer system and the Stormwater Fund relates to the operation of the Township's stormwater system. The financial statements related to the proprietary funds are included on pages 30-32 of this report.

Fiduciary funds. The Township fiduciary funds are utilized to account for all resources held for the benefit of all persons outside the government. These funds are not shown on the government-wide financial statements because the resources accounted for in these funds are not available for use by the Township. The presentation of these funds is similar to that used for proprietary funds.

The basic fiduciary financial statements of the Township may be found on pages 33-34 of this report.

Notes to financial statements. The notes to the Township's financial statements provide additional information that is essential to the reader's complete understanding of the information presented in the government-wide and fund financial statements.

The notes to financial statements may be found on pages 35-68 of this report.

Supplementary information: Along with the basic financial statements and related notes, required supplementary information and supplementary information associated with the Township are also included in this report. This information includes the progress of the Township in funding its obligation for providing pension benefits to its contract and non-contract employees.

The required supplementary information may be found on pages 69-76 of this report.

The statistical section of the report starts on page 77.

Government-wide Financial Analysis

As previously discussed, the net position of the Township may serve as a useful indicator of the financial position of the Township over time. At December 31, 2022, the Township's assets exceeded its liabilities by \$22,346,595 excluding pension deferred inflows and outflows of resources.

The Township's net position demonstrates its investment in capital assets, less any related debt that was used to purchase those assets that is still outstanding. The Township utilizes these assets to provide municipal services to its residents. Therefore, these assets are not available for future spending. Although these assets are reported net of their related debt, the monies needed to repay this debt must be obtained from other sources, since the capital assets cannot easily be liquidated to pay such liabilities.

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
Assets						
Current and other assets	\$ 5,084,285	\$ 4,501,540	\$ 1,083,844	\$ 1,244,788	\$ 6,168,129	\$ 5,746,328
Internal balance	2,518,604	2,950,778	(2,518,604)	(2,950,778)	-	-
Net Pension Asset	3,810,609	-	-	-	-	-
Capital assets	15,462,015	15,885,405	11,415,095	11,298,910	26,877,110	27,184,315
Total Assets	26,875,513	23,337,723	9,980,335	9,592,920	33,045,239	32,930,643
Deferred Outflows of Resources	513,226	2,153,679	-	-	513,226	2,153,679
Liabilities						
Long-term liabilities, due within one year	224,580	221,579	139,850	139,850	364,430	361,429
Long-term liabilities	3,447,658	3,390,509	6,236,071	6,096,221	9,683,729	9,486,730
Other liabilities	2,280,504	1,353,370	1,315,416	1,279,947	3,595,920	2,633,317
Total Liabilities	5,952,742	4,965,458	7,691,337	7,516,018	13,644,079	12,481,476
Deferred Inflows of Resources	2,202,788	256,251	-	-	2,202,788	256,251
Net Position						
Net investment in capital assets	11,987,329	12,621,381	5,039,174	5,062,839	17,026,503	17,684,220
Restricted	4,054,446	441,277	-	-	4,054,446	441,277
Unrestricted	3,191,434	7,207,035	(2,750,176)	(2,985,937)	441,258	4,221,098
Total Net Position	\$ 19,233,209	\$ 20,269,693	\$ 2,288,998	\$ 2,076,902	\$ 21,522,207	\$ 22,346,595

The Township, along with the above-described net position category, has \$441,277 of net position restricted by external sources for specific use. The Governmental Activities have a positive net position of \$7,207,035 of unrestricted net position, which may be used to meet the government's ongoing obligations. The Business-type Activities have adequate current assets to meet its obligations, but the net position is negative as the result of various large capital projects and ongoing repair and maintenance. A rate study was conducted in 2022 for the sanitary sewer fund. A plan is in place to raise the sewer charges over the next five years to address the internal balance. The first increase will be implemented in 2023.

As of December 31, 2022, the Township can report an overall positive net position in all categories for the governmental activities as a whole.

Governmental and business-type activities. The Township increased its overall net position in 2022 by \$1,036,484 for the governmental activities and decreased its net position by \$212,096 for the business-type activities. The governmental-activities category increase was the result of increased realty transfer tax because of property sales, an unexpected increase in earned income taxes, planned reductions in costs due to COVID-19 and the receipt and recognition of American Rescue Plan monies. This would have been larger except for two roads that were to be milled and paved, needing to be completely reconstructed and other overages for other capital projects. The business-type activities decreased by \$212,096 as the result of sewer line repair and maintenance and the construction of one stormwater pond. The increases and decrease resulted in the overall \$824,388 increase in total Township net position.

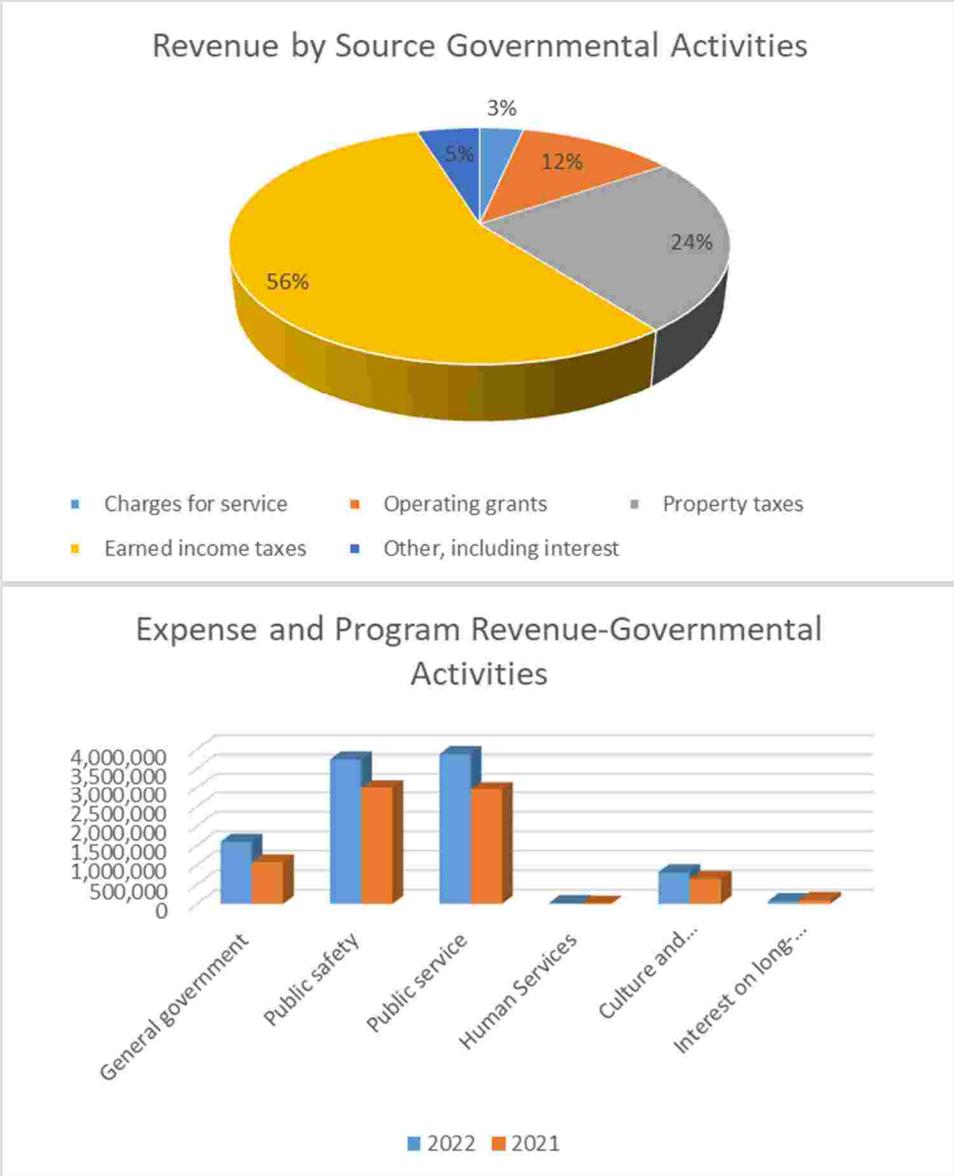
Total governmental activity revenue was \$11,154,742. Total business-type activity revenue was \$4,244,006. Total governmental activity expenses were \$10,118,258. Total business-type activity expenses were \$4,456,102.

Through the comparative years presented above, net position increased in governmental-type and decreased in the business-type categories. The governmental-type category increase was mainly the result of increased realty transfer tax revenue, an unexpected increase in earned income taxes, planned cutbacks in expenses because of COVID-19 and the receipt and recognition of the American Rescue Plan monies. This would have been larger but unanticipated road construction costs and other capital project overages reduced the amount. The business-type decrease was the result of a sanitary sewer line repair and maintenance and the construction of one stormwater pond.

Below is a presentation of government-wide data.

Governmental Activities

Revenues:	2022	2021	Increase (Decrease)
Program revenues:			
Charges for service	\$ 375,924	\$ 400,636	\$ (24,712)
Operating grants	1,351,330	714,572	636,758
General revenues:			
Property taxes	2,686,884	2,681,955	4,929
Earned income taxes	6,200,813	5,593,268	607,545
Other, including interest	539,791	402,996	136,795
Total revenues	11,154,742	9,793,427	1,361,315
Expenses:			
General government	1,596,037	1,068,396	527,641
Public safety	3,737,204	2,993,669	743,535
Public service	3,878,168	2,945,086	933,082
Human services	22,415	-	22,415
Culture and recreation	813,887	639,599	174,288
Interest on long-term debt	70,547	100,744	(30,197)
Total expenses	10,118,258	7,747,494	2,370,764
Change in Net Position	1,036,484	2,045,933	(1,009,449)
Net position - beginning	19,233,209	17,187,276	2,045,933
Net position - ending	<u>\$ 20,269,693</u>	<u>\$ 19,233,209</u>	<u>\$ 1,036,484</u>



The expenses of the Township reflected a similar pattern to prior year’s pattern of expenses for municipal services. One item of note in 2022, was the addition of a Human Services Department. This department is charged with assisting the Township Police Department and other departments if they believe an individual is in need of social services. Residents may also seek the assistance of the Human Services Department. Help may include drug and alcohol treatment, mental health treatment, hoarding treatment and obtaining food and shelter. This program started in November of 2022.

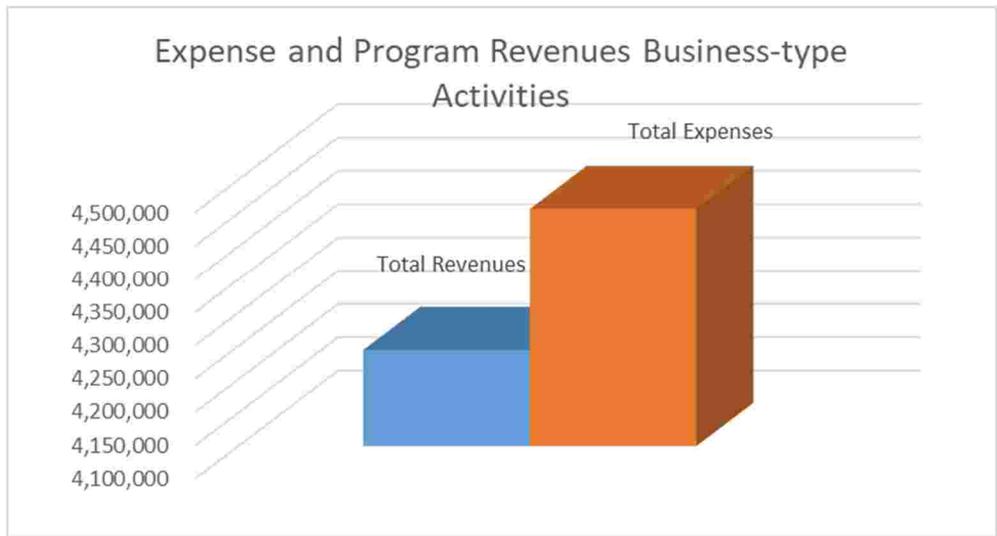
Business-type activities. The business-type activities of the Township decreased their net position by \$212,096. This decrease, along with the increase in the net position of the governmental activities, reflects a 3.8% increase in the total Township's net position. This increase is the result of planned reductions in spending as a result Covid-19, unanticipated real estate transfer taxes, unanticipated earned income tax revenue and the receipt and recognition of American Rescue Plan monies. This would have been higher if not for unforeseen road construction costs and other overages in capital projects.

Below is a presentation of the government-wide Township business-type activities. These activities are exclusively sanitary sewer services and stormwater services. The cause of the decrease in net position for

2022 has been the result of sanitary sewer line maintenance and repair and the building of one stormwater pond.

Business-Type Activities

	<u>2022</u>	<u>2021</u>	<u>Increase (Decrease)</u>
Revenues:			
Program revenues:			
Charges for service -sanitary sewer	\$ 3,358,861	\$ 3,298,704	\$ 60,157
Charges for service -stormwater	875,688	922,273	(46,585)
General revenues- interest	9,457	1,234	8,223
Total revenues	<u>4,244,006</u>	<u>4,222,211</u>	<u>21,795</u>
Expenses:			
Program expenses:			
Sanitary sewer services	3,684,716	3,904,335	(219,619)
Stormwater	771,386	1,098,235	(326,849)
Total expenses	<u>4,456,102</u>	<u>5,002,570</u>	<u>(546,468)</u>
Change in Net Position	<u>(212,096)</u>	<u>(780,359)</u>	<u>568,263</u>
Net position - beginning of year	<u>2,288,998</u>	<u>3,069,357</u>	<u>(780,359)</u>
Net position - ending	<u>\$ 2,076,902</u>	<u>\$ 2,288,998</u>	<u>\$ (212,096)</u>



A graphic presentation of business-type activities Revenue by Source is not presented due to the fact that 98% of the revenues are attributable to users' charges and the remaining 2% to interest income and other minor sources.

The following table represents the cost of five (5) major Township activities: general government, public safety, public service, culture and recreation, and debt service. The table also shows each activity's net cost (total cost less fees generated by the activities and governmental aid provided for specific programs). The net cost shows the financial burden placed on the taxpayers by each of these functions. The net cost of governmental activities increased to \$8,391,004, which is a 26% increase from 2021. The increase was in

large part due to unanticipated road construction costs, capital project overages, purchasing equipment and certain projects that could not be deferred. Revenue required to support the net cost of the Township's basic programs was funded primarily by local real estate tax revenue, as well as other taxes levied for general purposes, such as earned income tax revenue and real estate transfer tax. Real estate transfer tax came in much higher than was anticipated. The commercial real estate and residential real estate market in the Township is very strong. Also received was \$460,771 from The American Rescue Plan. This money was used to offset first responders' salaries.

	Total Cost of Services		Percentage Change	Net Cost of Services		Percentage Change
	2022	2021	2022-21	2022	2021	2022-21
General government	\$ 1,596,037	\$ 1,068,396	49%	\$ (1,311,479)	\$ (765,779)	71%
Public safety	3,737,204	2,993,669	25%	(2,688,266)	(2,650,598)	1%
Public service	3,878,168	2,945,086	32%	(3,508,919)	(2,496,181)	41%
Human services	22,415	-	100%	(22,415)	-	100%
Culture and recreation	813,887	639,599	27%	(789,378)	(618,984)	28%
Debt service	70,547	100,744	-30%	(70,547)	(100,744)	-30%
Total	\$ 10,118,258	\$ 7,747,494	23%	\$ (8,391,004)	\$ (6,632,286)	27%
Net Cost of Business-type Activities						
Sanitary and Stormwater Services	\$ 4,456,102	\$ 5,002,570	-11%	\$ (221,553)	\$ (781,593)	-72%

Financial Analysis of the Government's Funds

The fund financial statements provide more detailed information about the Township's most significant funds, not the Township as a whole. Funds are accounting groups that the Township uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State Law.

The Township maintains the following kinds of funds:

Governmental funds - Reports activities of the Township's basic services in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at the end of the year that are available to be spent. The governmental funds statements provide a detailed short-term view that can aid in determining whether there are more or fewer financial resources that are able to be spent in the near future to finance the Township's operations. The relationship between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds is described in a reconciliation that follows each related governmental fund financial statement.

Proprietary funds - The Township maintains two proprietary funds. Enterprise funds are utilized to report the business-type activities of the Township. These enterprise funds relate to the operations of the Township's sanitary sewer system and the Township's stormwater facilities. The funds are presented in the government-wide financial statements only, as there would be no difference in the information derived if it were also reported in the fund financial statements.

Fiduciary funds - The Township fiduciary funds are utilized to account for all resources held for the benefit of all persons outside the government. These funds are not shown on the government-wide financial statements because the resources accounted for in these funds are not available for use by the Township. The presentation of these funds is similar to that used for proprietary funds.

At the end of the year, the governmental funds of the Township reported a combined fund balance of \$4,714,327, which is a \$737,018 increase from the prior year. The increase is due to the unanticipated increase in realty transfer tax, unexpected increase in earned income tax, planned reduction in expenditures because of COVID-19 and the receipt and recognition of the American Rescue Plan monies. This would have been higher if not for unexpected road construction costs and other capital project overages.

The Township adopted a fund balance policy that identifies the use of the numerous fund balance categories and sets a recommended level for the unassigned funds of the General Fund.

The chart breaks out the fund balance.

	<u>2022</u>	<u>2021</u>
Restricted	\$ 441,277	\$ 243,837
Committed	435,000	360,000
Assigned	21,595	21,595
Unassigned	<u>3,816,455</u>	<u>3,351,877</u>
	<u>\$ 4,714,327</u>	<u>\$ 3,977,309</u>

The restricted funds represent monies that are constrained to be spent on specific purposes imposed by outside agencies or enabling legislation. The funds in this category are monies received from the state restricted for specific purposes related to roadways.

Committed monies are funds that the Council has committed through official action. Council adopted via resolution a minimum level of General Fund unassigned fund balance of 5% of General Fund operating expenditures. Only Council may remove this commitment. This amount would be \$515,533. Council elected to draw down the rate stabilization because of the substantial flooding and related Township expenditures to recover in 2018 and 2019. Council is committed to replenishing the rate stabilization account to the proper balance. \$75,000 was added to the rate stabilization account for 2022. This was not higher due to the possible effects of COVID-19 on employment sensitive revenue sources. Council is committed to replenishing the account in full within the next two years.

The assigned fund balance is the monies assigned by the Council's designee, the Township Manager, for specific projects. This is for future park land purchases.

The remainder of the fund balance is included in the unassigned category, which is monies that have not been restricted or assigned to a specific purpose in the Township's General Fund. These funds are available for expenditure. The balance of the unassigned fund balance in the General Fund is \$3,816,455.

In the General Fund, revenues exceeded expenditures by \$539,578. This is the result of higher than anticipated real estate transfer tax, unexpected increase in earned income tax, planned COVID-19 expenditure reductions and the receipt and recognition of the American Rescue Plan monies. Revenues exceeded the budget by 26% and expenditures exceeded those budgeted by 13%. This equals \$1,193,569. This was the result of two roads that were supposed to be milled and repaved needing complete reconstruction from the dirt up along with other capital project overages.

The Township's non-major fund is the Highway Aid Fund. Monies received from the state are placed in this fund and used to pay for salt and streetlights. This money is restricted in its use by the state. The restricted fund balance was \$441,277 at the end of 2022.

The Township maintains two fiduciary funds, one for the police defined benefit pension plan and one for the municipal employees' defined benefit plan. These monies are held in trust for the pensioners. Both plans met their funding obligations in 2022. The municipal employees' plan funding ratio is 99.8% and the police plan funding ratio is 98.6%. This means that both plans are properly funded and neither plan is distressed.

General Fund Budgetary Highlights

The following discussion accounts for budget highlights for the year.

1. Total revenues exceeded budgeted revenues by \$2,258,605. The largest reason for this was higher than expected realty transfer tax, unexpected earned income tax and receipt and recognition of the American Rescue Plan monies.
2. Expenditures were \$1,193,569 higher than budgeted. This was the result of two roads that were supposed to be milled and resurfaced requiring complete reconstruction and other capital project overages.
3. Fund balance in the General Fund increased by \$539,578. This was a result of certain revenues coming in higher than expected, the American Rescue Plan monies and the planned reduction or deferment of certain expenditures as a result of COVID-19. This would have been higher if not for issues with road construction and other capital project overages.

Capital Asset and Debt Administration

Capital Assets. The Township's investment in capital assets for its governmental and business-type activities as of December 31, 2022 is \$27,184,315, net of related depreciation. This investment includes roads, machinery and equipment, vehicles, buildings, and office equipment. More detailed information about capital assets can be found in Note 5 of the financial statements.

Major capital assets purchased or constructed for the year include:

1. The purchase of an asphalt roller at a cost of \$20,610.
2. The purchase of two Dinkmar leaf vacuums at a cost of \$160,310.
3. The purchase of a Vermeer skid loader at a cost of \$37,058
4. The Purchase of a Ford F-250 pickup truck for \$38,220.

	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
Land	\$ 1,021,983	\$ 1,021,983	\$ -	\$ -
Building	6,505,165	6,676,697	-	-
Machinery and equipment	742,541	501,793	95,825	95,777
Sewer system	-	-	7,878,672	8,040,076
Vehicles	2,289,670	2,435,535	-	-
Infrastructure	4,770,354	4,270,315	-	-
Construction in progress	555,692	555,692	3,324,413	3,279,242
Total capital assets	<u>\$ 15,885,405</u>	<u>\$ 15,462,015</u>	<u>\$ 11,298,910</u>	<u>\$ 11,415,095</u>

Long-Term Debt. At December 31, 2022, the Township had outstanding debt in the amount of \$9,362,300. Of this amount, \$3,126,229 is backed by the full-faith and credit of the Township and \$6,236,071 is backed by sewer system user charges and the full-faith and credit of the Township. The largest bond is the 2018 issue in the amount of \$6,750,000. The proceeds were used for sewer line construction, the construction of a bridge and capital expenditures related to the extensive flooding. More detailed information about the Township's long-term debt is presented in Note 6 to the financial statements.

	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
General obligation bonds	<u>\$ 3,126,229</u>	<u>\$ 3,331,379</u>	<u>\$ 6,236,071</u>	<u>\$ 6,375,921</u>

Of the amounts listed above, \$205,150 is due within one year for the Governmental Activities and \$139,850 is due within one year for the Business-Type Activities.

The Township maintains an Aa3 rating as set forth by Moody's Investor Service for general obligation debt.

The Township limits the non-electoral borrowing that a Township may incur. The Township's current non-electoral borrowing base is \$35,386,380. The Township may incur \$32,260,151 in additional debt without having to receive permission from the electoral.

Economic Factors and Next Year's Budget and Rates

1. Inflationary trends in the region compare favorably to national indices.
2. The Township's housing market has remained strong with few homes being on the market longer than a month.
3. The real estate tax base for the Township has remained constant.
4. The Township's business district has maintained steady occupancy even with the effects of COVID-19.
5. The Township anticipates a reduction of Local Services Tax as businesses have found employees can work from home thereby reducing the need for office space.
6. Earned income tax is performing above expectations. Earned Income Tax is the largest revenue source for the General fund. It is .8% based on a resident's state earned income.

All of the above factors will be considered in preparing the Township's 2023 capital and operating budgets. As of December 31, 2022, the unassigned fund balance for the General Fund was \$3,816,455.

Requests for Information

The financial report is designed to provide the user with a general overview of the Township's finances. Questions concerning any information contained in the report or request for additional financial information should be addressed to Julie A. Jakubec, CPA, CGMA Township Manager, 325 Fox Chapel Road, Pittsburgh, PA 15238.

BASIC FINANCIAL STATEMENTS

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2022

Assets	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 2,750,526	\$ 305,399	\$ 3,055,925
Receivables, net:			
Accounts receivable	118,440	939,389	1,057,829
Taxes receivable	1,561,473	-	1,561,473
Due from other governments	71,101	-	71,101
Internal balances	2,950,778	(2,950,778)	-
Capital assets, not being depreciated	1,577,675	3,324,413	4,902,088
Capital assets, net of accumulated depreciation	14,307,730	7,974,497	22,282,227
Total Assets	23,337,723	9,592,920	32,930,643
Deferred Outflows of Resources			
Deferred outflows of resources for pension	2,153,679	-	2,153,679
Liabilities			
Accounts payable	639,079	1,269,763	1,908,842
Accrued wages and benefits	100,744	-	100,744
Miscellaneous payable	-	10,184	10,184
Unearned revenue	255,889	-	255,889
Escrow liabilities	328,094	-	328,094
Interest payable	29,564	-	29,564
Noncurrent liabilities:			
Due within one year: compensated absences, bonds payable	221,579	139,850	361,429
Due in more than one year:			
Compensated absences	192,439	-	192,439
Net pension liability	139,196	-	139,196
Bonds payable, net of premium	3,058,874	6,096,221	9,155,095
Total Liabilities	4,965,458	7,516,018	12,481,476
Deferred Inflows of Resources			
Deferred inflows of resources for pension	256,251	-	256,251
Net Position			
Net investment in capital assets	12,621,381	5,062,839	17,684,220
Restricted for:			
State liquid fuels	441,277	-	441,277
Unrestricted	7,207,035	(2,985,937)	4,221,098
Total Net Position	\$ 20,269,693	\$ 2,076,902	\$ 22,346,595

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022

<u>Functions/Programs</u>	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 1,596,037	\$ 277,612	\$ 6,946	\$ -	\$ (1,311,479)	\$ -	\$ (1,311,479)
Public safety	3,737,204	14,586	1,034,352	-	(2,688,266)	-	(2,688,266)
Public service	3,878,168	59,217	310,032	-	(3,508,919)	-	(3,508,919)
Human services	22,415	-	-	-	(22,415)	-	(22,415)
Culture and recreation	813,887	24,509	-	-	(789,378)	-	(789,378)
Interest	70,547	-	-	-	(70,547)	-	(70,547)
Total governmental activities	10,118,258	375,924	1,351,330	-	(8,391,004)	-	(8,391,004)
Business-type activities:							
Sanitary sewer services	3,684,716	3,358,861	-	-	-	(325,855)	(325,855)
Stormwater	771,386	875,688	-	-	-	104,302	104,302
Total business-type activities	4,456,102	4,234,549	-	-	-	(221,553)	(221,553)
Total	\$ 14,574,360	\$ 4,610,473	\$ 1,351,330	\$ -	(8,391,004)	(221,553)	(8,612,557)
General revenues:							
Real estate taxes					2,686,884	-	2,686,884
Earned income and other taxes					6,200,813	-	6,200,813
Regional asset development tax					201,357	-	201,357
Investment earnings					53,241	9,457	62,698
Other					285,193	-	285,193
Total general revenues					9,427,488	9,457	9,436,945
Change in Net Position					1,036,484	(212,096)	824,388
Net position - beginning of year					19,233,209	2,288,998	21,522,207
Net position - end of year					\$ 20,269,693	\$ 2,076,902	\$ 22,346,595

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2022

	General Fund	Nonmajor Fund Highway Aid Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 2,296,248	\$ 454,278	\$ 2,750,526
Receivables, net:			
Accounts receivable	118,440	-	118,440
Taxes receivable	1,561,473	-	1,561,473
Interfund receivable	2,963,779	-	2,963,779
Due from other governments	71,101	-	71,101
Total Assets	\$ 7,011,041	\$ 454,278	\$ 7,465,319
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities:			
Accounts payable	\$ 639,079	\$ -	\$ 639,079
Accrued wages and benefits	100,744	-	100,744
Interfund payables	-	13,001	13,001
Unearned revenue	255,889	-	255,889
Escrow liabilities	328,094	-	328,094
Total Liabilities	1,323,806	13,001	1,336,807
Deferred Inflows of Resources:			
Unavailable revenue - property and other taxes	1,414,185	-	1,414,185
Fund Balance:			
Restricted	-	441,277	441,277
Committed	435,000	-	435,000
Assigned	21,595	-	21,595
Unassigned	3,816,455	-	3,816,455
Total Fund Balance	4,273,050	441,277	4,714,327
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 7,011,041	\$ 454,278	\$ 7,465,319

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2022

Total Fund Balance - Governmental Funds		\$	4,714,327
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>			
<p>Capital assets used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds.</p>			15,885,405
<p>Deferred outflows and deferred inflows of resources are reflected on the statement of net position, but are not recorded in the fund statements.</p>			1,897,428
<p>Property taxes receivable and other revenues will be collected in the future, but are not available to pay for the current period expenditures and, therefore, are treated as deferred inflows in the fund statements.</p>			1,414,185
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:</p>			
	Bonds payable	\$	(3,264,024)
	Interest payable		(29,564)
	Compensated absences		(208,868)
	Net pension liability		(139,196)
			(3,641,652)
Total Net Position - Governmental Activities		\$	20,269,693

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Nonmajor Fund Highway Aid Fund	Total Governmental Funds
Revenues:			
Taxes	\$ 9,080,134	\$ -	\$ 9,080,134
Intergovernmental	1,062,684	288,646	1,351,330
Fines and forfeitures	28,393	-	28,393
Licenses and permits	128,868	-	128,868
Charges for services	17,451	-	17,451
Franchise fees	201,212	-	201,212
Interest	46,298	6,943	53,241
Other	285,193	-	285,193
Total revenues	10,850,233	295,589	11,145,822
Expenditures:			
Current:			
General government	1,273,163	-	1,273,163
Public safety	3,218,235	-	3,218,235
Public service	4,761,325	98,149	4,859,474
Human services	19,634	-	19,634
Culture and recreation	726,464	-	726,464
Debt service:			
Principal retirement	205,150	-	205,150
Interest on long-term debt	105,124	-	105,124
Administrative fee	1,560	-	1,560
Total expenditures	10,310,655	98,149	10,408,804
Net Change in Fund Balance	539,578	197,440	737,018
Fund balance - beginning of year	3,733,472	243,837	3,977,309
Fund balance - end of year	\$ 4,273,050	\$ 441,277	\$ 4,714,327

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balance - Governmental Funds \$ 737,018

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 and is reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:

	Capital outlays	\$ 1,839,795	
	Depreciation expense	<u>(1,416,405)</u>	423,390

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	8,920
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Changes in the net pension liability and related deferred outflows and inflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements. The value of these items changed by this amount during the year.	(362,815)
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Some expenses (compensated absences) 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.	(11,316)
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The issuance of long-term debt (e.g., bonds) 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, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	<u>241,287</u>
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Change in Net Position of Governmental Activities	<u>\$ 1,036,484</u>
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See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Taxes	\$ 7,626,643	\$ 7,626,643	\$ 9,080,134	\$ 1,453,491
Intergovernmental	370,610	370,610	1,062,684	692,074
Fines and forfeitures	25,000	25,000	28,393	3,393
Licenses and permits	135,200	135,200	128,868	(6,332)
Charges for services	26,850	26,850	17,451	(9,399)
Franchise fees	220,000	220,000	201,212	(18,788)
Interest	825	825	46,298	45,473
Other	186,500	186,500	285,193	98,693
Total revenues	<u>8,591,628</u>	<u>8,591,628</u>	<u>10,850,233</u>	<u>2,258,605</u>
Expenditures:				
Current:				
General government:				
Governance and coordination	476,051	476,051	546,767	(70,716)
Finance	219,572	219,572	218,950	622
Tax collection	53,732	53,732	48,556	5,176
Non-departmental	306,711	306,711	389,030	(82,319)
Engineering	70,629	70,629	69,860	769
Total general government	<u>1,126,695</u>	<u>1,126,695</u>	<u>1,273,163</u>	<u>(146,468)</u>
Public safety:				
Police	2,490,298	2,490,298	2,363,532	126,766
Code enforcement	195,972	195,972	194,739	1,233
Planning	130,572	130,572	125,199	5,373
Fire/ambulance	503,874	503,874	534,765	(30,891)
Total public safety	<u>3,322,216</u>	<u>3,322,216</u>	<u>3,218,235</u>	<u>103,981</u>
Public service:				
Solid waste	1,072,134	1,072,134	1,076,088	(3,954)
Public service	2,424,781	2,424,781	3,685,237	(1,260,456)
Total public service	<u>3,496,915</u>	<u>3,496,915</u>	<u>4,761,325</u>	<u>(1,264,410)</u>
Human services	-	-	19,634	(19,634)
Culture and recreation:				
Parks and recreation	795,587	795,587	726,464	69,123
Debt service:				
Principal retirement	259,550	259,550	205,150	54,400
Interest on long-term debt	116,123	116,123	105,124	10,999
Administrative fee	-	-	1,560	(1,560)
Total debt service	<u>375,673</u>	<u>375,673</u>	<u>311,834</u>	<u>63,839</u>
Total expenditures	<u>9,117,086</u>	<u>9,117,086</u>	<u>10,310,655</u>	<u>(1,193,569)</u>
Net Change in Fund Balance	(500,458)	(500,458)	539,578	1,040,036
Fund balance - beginning of year	3,733,472	3,733,472	3,733,472	-
Fund balance - end of year	<u>\$ 3,233,014</u>	<u>\$ 3,233,014</u>	<u>\$ 4,273,050</u>	<u>\$ 1,040,036</u>

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2022

	Sanitary Sewer Fund	Nonmajor Fund Stormwater Fund	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 200,587	\$ 104,812	\$ 305,399
Accounts receivable, net	822,429	116,960	939,389
Total current assets	1,023,016	221,772	1,244,788
Non-current assets:			
Capital assets, not being depreciated	3,324,413	-	3,324,413
Capital assets, net of accumulated depreciation	7,974,497	-	7,974,497
Total non-current assets	11,298,910	-	11,298,910
Total Assets	12,321,926	221,772	12,543,698
Liabilities			
Current liabilities:			
Accounts payable	1,269,763	-	1,269,763
Miscellaneous payable	10,184	-	10,184
Interfund payable	2,900,993	49,785	2,950,778
Current portion of long-term debt	139,850	-	139,850
Total current liabilities	4,320,790	49,785	4,370,575
Non-current liabilities:			
Long-term debt, net	6,096,221	-	6,096,221
Total Liabilities	10,417,011	49,785	10,466,796
Net Position			
Net investment in capital assets	5,062,839	-	5,062,839
Unrestricted	(3,157,924)	171,987	(2,985,937)
Total Net Position	\$ 1,904,915	\$ 171,987	\$ 2,076,902

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Sanitary Sewer Fund	Nonmajor Fund Stormwater Fund	Total
Operating Revenues:			
Charges for services	\$ 3,358,861	\$ 875,688	\$ 4,234,549
Total operating revenues	3,358,861	875,688	4,234,549
Operating Expenses:			
Cost of sales and services	3,253,267	771,386	4,024,653
Depreciation	178,517	-	178,517
Total operating expenses	3,431,784	771,386	4,203,170
Operating Income	(72,923)	104,302	31,379
Non-Operating Revenues (Expenses):			
Interest income	4,400	5,057	9,457
Interest expense	(252,932)	-	(252,932)
Total non-operating revenues (expenses)	(248,532)	5,057	(243,475)
Change in Net Position	(321,455)	109,359	(212,096)
Net position, beginning of year	2,226,370	62,628	2,288,998
Net position, end of year	\$ 1,904,915	\$ 171,987	\$ 2,076,902

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2022

	Sanitary Sewer Fund	Nonmajor Fund Stormwater Fund	Total
Cash Flows From Operating Activities:			
Receipts from customers	\$ 3,314,370	\$ 927,717	\$ 4,242,087
Payments to suppliers	(2,943,469)	(790,386)	(3,733,855)
Payments to employees	(326,267)	-	(326,267)
Net cash provided by (used in) operating activities	<u>44,634</u>	<u>137,331</u>	<u>181,965</u>
Cash Flows From Non-Capital Financing Activities:			
Interfund receipts (payments)	602,275	(170,101)	432,174
Cash Flows From Capital and Related Financing Activities:			
Purchases of capital assets	(62,332)	-	(62,332)
Principal paid on long-term debt	(139,850)	-	(139,850)
Interest paid on long-term debt	(252,932)	-	(252,932)
Net cash provided by (used in) capital and related financing activities	<u>(455,114)</u>	<u>-</u>	<u>(455,114)</u>
Cash Flows From Investing Activities:			
Interest income	4,400	5,057	9,457
Net Increase (Decrease) in Cash and Cash Equivalents	196,195	(27,713)	168,482
Cash and Cash Equivalents:			
Beginning of year	4,392	132,525	136,917
End of year	<u>\$ 200,587</u>	<u>\$ 104,812</u>	<u>\$ 305,399</u>
Reconciliation of Operating Income to Net Cash and Cash Equivalents Provided by (Used in) Operating Activities:			
Operating income	\$ (72,923)	\$ 104,302	\$ 31,379
Adjustments to reconcile operating income to net cash and cash equivalents provided by (used in) operating activities:			
Depreciation	178,517	-	178,517
Change in:			
Accounts receivables, net	(44,491)	52,029	7,538
Accounts payable	(16,469)	(19,000)	(35,469)
Net cash and cash equivalents provided by (used in) operating activities	<u>\$ 44,634</u>	<u>\$ 137,331</u>	<u>\$ 181,965</u>

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2022

<u>Assets</u>	<u>Pension Trust Funds</u>
Investments:	
Money market mutual funds	\$ 620,377
Mutual funds - fixed income	2,501,903
Exchange traded funds - fixed income	1,701,021
Mutual funds - equity	2,273,546
Exchange traded funds - equity	6,152,112
Interest and dividends receivable	5,325
Member contribution in transit	2,664
	<hr/>
Total Assets	13,256,948
	<hr/>
<u>Liabilities</u>	
Refund of member contributions payable	7,537
	<hr/>
Total Liabilities	7,537
	<hr/>
<u>Net Position Restricted For</u>	
Pension benefits	\$ 13,249,411
	<hr/> <hr/>

See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2022

	Pension Trust Funds
Additions:	
<hr/>	
Contributions:	
Employees	\$ 72,472
Employer, including state aid	180,858
	<hr/>
Total contributions	253,330
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Investment income (loss):	
Net appreciation (depreciation) in fair value of investments	(3,113,514)
Interest and dividends	323,361
Less investment expense	(69,549)
	<hr/>
Net investment income (loss)	(2,859,702)
	<hr/>
Total additions	(2,606,372)
	<hr/>
Deductions:	
<hr/>	
Benefits	510,360
Administrative expense	18,071
	<hr/>
Total deductions	528,431
	<hr/>
Change in Net Position	(3,134,803)
Net position - beginning	16,384,214
	<hr/>
Net position - ending	\$ 13,249,411
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See accompanying notes to financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Township of O'Hara, Pennsylvania (Township) was incorporated on June 8, 1875, and chartered as a home rule municipality on January 1, 1976. The Township operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, except fire and ambulance, which are provided by volunteer companies partially subsidized by the Township; highway and street maintenance; sanitary sewer services; sanitation services; recreational facilities; public improvements; planning, engineering, and zoning; and general administrative services. No potential component units meet the criteria for inclusion in the Township reporting entity.

B. Government-wide Financial Statements

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Township. All fiduciary activities are reported only in the fund financial statements. Governmental activities are reported separately from business-type activities. Governmental activities are supported by taxes and intergovernmental revenues while business-type activities are supported by user charges and fees. The statement of activities demonstrates the level to which the direct expenses of a given function to the Township are offset by program revenues related to that function. Direct expenses are those that are directly related to and clearly identified with a function. Program revenues include charges to customers or others who purchase, use, or directly benefit from services or goods provided by a given function or grants, and contributions that are restricted to meet the operational or capital requirements of a function. Taxes and other items not includable in program revenues are reported as general revenues.

As a general rule, any effect of interfund activity has been eliminated from the government-wide financial statements. The only exception to this rule is payments made between the Township's General Fund, Sanitary Sewer Fund, and Stormwater Fund. Elimination of these amounts would distort the direct costs and program revenue reported for the various concerned functions.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

C. Fund Financial Statement Presentation

The fund financial statements provide information about the government, including its fiduciary funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The Township reports the following major governmental fund:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the Township, except those accounted for in another fund.

The Township also has the following special revenue fund, which is non-major:

The Highway Aid Fund accounts for the state liquid fuels money that is utilized to fund the Township's snow removal and streetlights.

The Township maintains two proprietary funds. The Township's Sanitary Sewer Fund is operated as a self-sustaining utility and is responsible for providing residents of the Township with sanitary sewer services and is reported as major. The Township's Stormwater Fund is operated as a self-sustaining utility and is responsible for providing residents with stormwater transportation and retention facilities.

The Pension Trust Funds are fiduciary funds that account for the activities of the Township's various pension plans, which accumulate resources for pension benefit payments to qualified employees.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured, such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Both the proprietary fund and fiduciary fund financial statements are also presented in this fashion. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues when all eligibility requirements imposed by the provider have been met.

Governmental fund types are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Revenues for these funds are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected in the current period or soon enough thereafter to pay current period liabilities. The Township considers property tax revenues to be available if they are collected within 60 days of the end of the year, and local service tax revenues to be available if they are collected within 90 days of the end of the year. For all other taxes, the Township has elected a zero-day collectible rule and, therefore, all collections after year-end that relate to the current period are considered unavailable. All other revenues are considered to be measurable and available only when cash is received by the government.

E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position/Fund Balance

1. Deposits and Investments

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments that mature in three months or less from the date of acquisition.

The Township is limited in what it may invest Township monies in by state law. This law requires that funds be backed by the U.S Treasury, the Commonwealth of Pennsylvania Treasury, or be collateralized by a pool of investments maintained at 102% of the value of the Township's investment. Investments for the Township are reported at fair value.

The Township categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2. Inventory

All inventories are valued at cost using the first-in/first-out method. Inventories of governmental funds are recorded as expenditures when purchased.

3. Receivables and Payables

The Township reports outstanding balances between funds as interfund receivables and payables. Any residual balances outstanding between governmental activities and business-type activities at the end of the year are reported in the government-wide financial statements as internal balances.

All property, sewer charge, and stormwater receivables are shown net of an allowance for uncollectible accounts. The Township's property tax allowance is calculated at 3% of delinquent property tax receivable. An allowance for doubtful accounts for sewer service and stormwater is booked only once a property has commenced bankruptcy proceedings. Prior to that point, the property has been lienied for the delinquent charges and the amount is still deemed collectible. Currently, no properties are in bankruptcy proceedings; therefore, no allowance has been recorded in the Sanitary Sewer Fund or the Stormwater Fund.

Property taxes are levied as of January 1 on property values assessed as of the same date. Bills for property taxes are mailed on or around March 1st. Taxes are due at discount (2%) March 1-April 30, face May 1-June 30, and penalty (10%) after June 30. Unpaid taxes are turned over to the delinquent tax collector after year-end for lienning.

4. Capital Assets

Capital assets, which include land, buildings, sewer system, machinery and equipment, vehicles, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are valued at historical cost. Major improvements are capitalized, while maintenance and repairs of property and equipment and infrastructure costs are charged to operations. Upon retirement, sale, or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the amounts and a gain or loss is included in operations. Depreciation expense is recorded as an allocated expense to the appropriate function using the straight-line method of depreciation.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Capital assets are defined by asset category:

1. Buildings \$20,000 or greater and life over two years
2. Vehicles \$20,000 or greater and life two years or more
3. Equipment and furniture \$5,000 or greater and life two years or more

The government reports infrastructure on a network basis. Accordingly, the amount spent for the construction and/or acquisition of an infrastructure asset is capitalized and reported in the government-wide financial statements when the value exceeds \$20,000.

The Township was not subject to the infrastructure provision that required retroactive reporting of infrastructure. The Township is reporting infrastructure prospectively only. The only infrastructure additions in the current period relate to road milling. Any value reported for infrastructure excludes amounts spent on maintenance and repair, which essentially means amounts spent on capital assets that do not extend their useful lives or improve the assets' efficiency or capacity. Interest cost incurred during construction is recognized as an expense in the period in which the cost is incurred.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

- Sewer system – 50 years
- Buildings – 25 to 50 years
- Machinery and equipment – 3 to 25 years
- Vehicles – 5 to 20 years
- Infrastructure – 16 years

5. Compensated Absences

Calculation of the liability is determined by the vacation and sick day payments that would be made if employees were to leave or retire from the Township. Accumulated compensated absences are recorded in the appropriate fund type on the government-wide financial statements.

Township employees are granted vacation and sick leave in varying amounts. Employees are authorized ten (10) sick days per year, which are paid at the rate of one-half the daily rate either annually or carried in full over to subsequent years to a maximum of 50 days, non-police and public service, respectively. Police may accrue a maximum of 65 days, and 75 days for those who participate in an employee wellness program. Employees earn

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

vacation based upon their anniversary date for use during the current calendar year. The number of days earned each month varies depending upon length of service and union contracts. Vacation pay cannot be carried over into the next year; therefore, it is not recorded as a liability.

6. Unearned Revenues

Unearned revenues reported in the government-wide financial statements will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in the governmental fund financial statements represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate governmental or business-type activity. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issues are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets and/or fund balance that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has the following items that qualify for reporting in this category:

In conjunction with pension accounting requirements, the difference between expected and actual experience, changes in assumption, and the net difference between projected and

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

actual earnings on pension plan investments are recorded as deferred outflows of resources for pensions on the government-wide financial statements. These amounts are determined based on actuarial valuations performed for the pension plans. See Note 7 for additional information about the pension plans.

In addition to liabilities, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets and/or fund balance that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Township has the following items that qualify for reporting in this category:

Unavailable revenue is reported only on the balance sheet and represents property and other taxes which will not be collected within the available period. This amount will be recognized as an inflow of resources in the period the amounts become available.

In conjunction with pension accounting requirements, the difference between expected and actual experience and the net difference between projected and actual earnings on pension plan investments are recorded as deferred inflows of resources for pensions on the government-wide financial statements. These amounts are determined based on actuarial valuations performed for the pension plans. See Note 7 for additional information about the pension plans.

9. Net Position

Accounting standards require the classification of net position into the three components shown below, which are defined as follows:

Net investment in capital assets – The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvements of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount is not included in the calculation of net investment in capital assets. Instead, that portion of the debt or deferred inflows of resources is included in the same net position component (restricted or unrestricted) as the unspent amount.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Restricted – The restricted component of net position presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – The unrestricted component of net position is the net amount of the assets, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

10. Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – This category represents funds that are not in spendable form and legally or contractually required to be maintained intact (e.g., inventory and prepaid expenditures).

Restricted – This category represents funds that can be spent only for the specific purposes stipulated by external resource providers such as grantors or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers. The Highway Aid Fund has restricted funds totaling \$441,277, consisting of unspent state grant funds restricted by state law.

Committed – This category represents funds that can be used only for a specific purpose determined by an ordinance approved by the Township's Council, the government's highest level of decision-making authority. The formal action (resolution) to commit fund balance to a specific purpose must occur prior to the end of the reporting period, but the amount which will be subject to the constraint may be determined in the subsequent period. Committed funds may only be changed or lifted by the same formal action (resolution) taken to commit them. The General Fund has a committed fund balance totaling \$435,000, which is a stabilization account for urgent situations.

Assigned – This category represents amounts that the Township intends to use for a specific purpose but do not meet the criteria to be classified as committed. Assignments of fund balance were authorized by Council by ordinance to be made by the Township Manager. The General Fund has an assigned fund balance of \$21,595, which is to be used for future park land purchases.

Unassigned – This category represents the residual classification for the Township's General Fund and includes all spendable amounts not contained in other classifications for that fund. The General Fund is the only fund that reports a positive unassigned fund balance

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report negative unassigned fund balance in that fund. The unassigned fund balance of the General Fund at the end of each fiscal year-end shall not be less than five percent of the General Fund expenditures.

11. Spending Policy

Any expenditure incurred for a purpose in which restricted and unrestricted fund balance amounts are available is satisfied through restricted fund balance amounts before unrestricted fund balance amounts. When an expenditure is incurred for a purpose in which unrestricted fund balance amounts are available under committed, assigned, or unassigned fund balances, there are no restrictions placed on the order of the unrestricted fund balances used. The order of the unrestricted fund balances used for disbursements is at the discretion of the Township Manager.

12. Stabilization Arrangement

Members of Council adopted a resolution to establish and maintain a Financial Stabilization Account that will be a committed fund balance. The account is established to provide funds for urgent situations that affect the life safety of Township residents. The minimum level in the Financial Stabilization Account is 5% of General Fund expenditures. The recognition of an emergency lies with Council president and/or their designee. In the event the account drops below the established minimum level, Council will develop a plan to replenish the minimum level within three years.

F. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as 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) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated resources are reported as general revenues rather than as program revenues.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

2. Proprietary Fund Operating and Non-Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Sanitary Sewer Fund and Stormwater Fund are charges to customers for sales and services. Operating expenses for the Sanitary Sewer Fund and Stormwater Fund include the cost of sales and services, administrative expenses, and depreciation on capital assets, as applicable. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

G. Stewardship, Compliance, and Accountability

Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for all of the Township's governmental funds on the same basis of accounting described previously for each fund type. A budget for guidance only is adopted for the Township's Sanitary Sewer Fund. The Township uses the following procedures to establish the budgetary data reflected in the financial statements:

- On or before November 1, the Township Manager submits to Council a proposed operating budget for the General, Special Revenue, and Proprietary Funds for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of their financing, prepared on a basis consistent with accounting principles generally accepted in the United States of America.
- Public hearings are conducted to obtain citizen comments on the proposed budget. Prior to December 31, the budget is legally adopted through passage of an ordinance by Council.
- Council legally adopts the budget prior to December 31 of each preceding year.

Council may amend the budget by adoption of an ordinance. For internal control purposes, Council must approve all transfer budgeted amounts between departments, such as public safety and public service, without altering total budgeted expenditures. For the year ended December 31, 2022, General Fund expenditures for general government, public service, and human services exceeded their budget. These overages were funded by greater than anticipated revenues. Management can transfer amounts within departmental accounts, without exceeding departmental budgets or Council approval. During 2022, no

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

management interdepartmental transfers or Council-enacted budget transfers occurred. Council may also amend the budget for unforeseen or unexpected events. Actual expenditures and transfers out may not legally exceed budget appropriations at the individual fund level. This is considered to be the legal level of control as it is mandated by the state. However, the budget is monitored by management at the departmental level.

H. 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 certain reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

I. Adopted Pronouncements

The requirements of the following Governmental Accounting Standards Board (GASB) statements were adopted for the year ended December 31, 2022: Statement Nos. 87 (Leases), 91 (Conduit Debt Obligations), 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32). These statements had no significant impact on the Township's financial statements for the year ended December 31, 2022.

J. Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 94 (Public-Private and Public-Private Partnerships and Availability Payment Arrangements), 96 (Information Technology Arrangements), 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

2. **Deposits and Investments**

Pennsylvania statutes provide for investment of governmental funds into certain authorized investments including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, short-term commercial paper issued by a public corporation,

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes also allow pooling of governmental funds for investment purposes.

The deposit and investment policies of the Township adhere to state statutes. Deposits of the governmental funds are either maintained in demand deposits or mutual funds. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the Township's policy.

Deposits

The following is a description of the Township's deposit risk:

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Township's policy is to follow state law. As of December 31, 2022, \$250,000 of the Township's bank balance of \$3,226,243 was insured by the Federal Deposit Insurance Corporation. The remaining balance of \$2,976,243 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$3,055,925 as of December 31, 2022.

Pension Trust Funds – Investments

The Pension Trust Funds' investments are held separately from those of other Township funds. The Township Council determines the investment managers of the Municipal Employees' and Police Pension Plans. The Pension Trust Funds, as authorized by Council through the plan administrator (Trustee), can invest in stocks, bonds, mortgages and other evidence of indebtedness. The types of investments are further restricted by applicable laws of the Commonwealth of Pennsylvania. Investments were consistent with those authorized.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

As of December 31, 2022, the Township had the following investments in its Pension Trust Funds:

Investment Type	Fair Value	Investment Maturities (In Years) from December 31, 2022			
		Less than 1 year	1-5 Years	6-10 Years	More than 10 years
Mutual funds - fixed income	\$ 2,501,903	\$ -	\$ 1,133,165	\$ 1,368,738	\$ -
Exchange traded funds - fixed income	1,701,021	-	262,585	1,438,436	-
Total debt securities	4,202,924	\$ -	\$ 1,395,750	\$ 2,807,174	\$ -
Money market mutual funds	620,377				
Mutual funds - equity	2,273,546				
Exchange traded funds - equity	6,152,112				
Total other investments	9,046,035				
Total investments reported on the statement of fiduciary net position	\$ 13,248,959				

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The Township's Pension Trust Funds categorize its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The Pension Trust Funds have the following recurring fair value measurements at December 31, 2022:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fixed income:				
Exchange traded funds	\$ 1,701,021	\$ 1,701,021	\$ -	\$ -
Mutual funds	2,501,903	2,501,903	-	-
Total fixed income	4,202,924	4,202,924	-	-
Equities:				
ETF equity:				
Small value	174,308	174,308	-	-
Small growth	180,840	180,840	-	-
Medium value	345,725	345,725	-	-
Medium growth	354,381	354,381	-	-
Medium blend	222,367	222,367	-	-
Large value	832,847	832,847	-	-
Large growth	697,436	697,436	-	-
Large blend	2,618,866	2,618,866	-	-
Foreign large value	107,772	107,772	-	-
Foreign large blend	617,570	617,570	-	-
Mutual funds	2,273,546	2,273,546	-	-
Total equities	8,425,658	8,425,658	-	-
Money market mutual funds	620,377	620,377	-	-
Total Investments by Fair Value Level	\$ 13,248,959	\$ 13,248,959	\$ -	\$ -

Exchange traded funds, mutual funds, equities, and money market mutual funds are valued using prices quoted in active markets for those securities (Level 1 inputs).

The following is a description of the Pension Trust Funds' deposit and investment risks:

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Custodial Credit Risk – For deposits and investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the pension trust funds will not be able to recover the value of their deposits or investments or collateral security that are in the possession of an outside entity. The Township's policy is to follow state law. The Township's investments in mutual funds cannot be classified by risk category because they are not evidenced by securities that exist in physical or book entry form. Money market investments include a broad range of U.S. dollar-denominated money market instruments, including government, U.S. and foreign bank, and U.S. commercial obligations and repurchase agreements. As of December 31, 2022, the Township's money markets balance of \$620,377 included in investments (bank and book balance) was exposed to custodial credit risk.

Credit Risk – The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Township has no formal investment policy that would limit its investment choices to certain credit ratings. As of December 31, 2022, the Townships' Pension Trust Fund have received the following ratings from Standard & Poor's and had the following credit quality distribution for fixed income investments with credit exposure:

Rating	Fair Value	Percentage of Total Fixed Income Investments with Credit Exposure
AA	\$ 262,585	15%
A	1,438,436	85%
Subtotal	1,701,021	100%
Not rated	2,501,903	
Total fixed income investments	\$ 4,202,924	

Concentration of Credit Risk – The Township places no limit on the amount the Township may invest in any one issuer. The Township has no investments in excess of 5% with the same issuer.

Interest Rate Risk – The Township does not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

3. Interfund Receivables, Payables, and Transfers

The interfund receivables and payables at December 31, 2022 are as follows.

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,963,779	\$ -
Highway Aid Fund	-	13,001
Sanitary Sewer Fund	-	2,900,993
Stormwater Fund	-	49,785
	<u>\$ 2,963,779</u>	<u>\$ 2,963,779</u>

The interfund receivable and payable between the General Fund and the Highway Aid Fund are due to the General Fund paying certain expenses for the Highway Aid Fund. These expenses will be reimbursed by the Highway Aid Fund. The interfund receivables and payables between the General Fund and the Sanitary Sewer Fund are due mainly to the Sanitary Sewer Fund being required to reimburse the General Fund for its portion of debt payments that were paid by the General Fund originally, before the debt became an obligation of the Sanitary Sewer Fund. Any remaining balance is generally a result of a time lag between when the Township's main operating bank account (recorded in the General Fund) pays for goods and services and when the money is transferred from the Sanitary Sewer Fund to reimburse the General Fund. The interfund receivable and payable between the General Fund and the Stormwater Fund are due to the General Fund paying certain expenses for the Stormwater Fund prior to fees being collected. These expenses will be reimbursed by the Stormwater Fund.

No interfund transfers were made during the year ended December 31, 2022.

4. Real Estate Taxes and Receivables

Real estate taxes are based on assessed valuations provided by Allegheny County (County) and are levied on January 1 and billed March 1. The 2022 assessed value of real property totaled \$1,289,572,472. These taxes are billed and collected by an appointed tax collector. Taxes paid through April 30 are given a 2% discount. Amounts paid after June 30 are assessed a 10% penalty. Any uncollected balances as of the end of May in the year following the billing are sent to the delinquent tax collector to be liened. Current tax collections for the year ended December 31, 2022 were 97% of the tax levy.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Because the Township operates under a Home Rule Charter, it is not subject to state law limiting the tax millage allowable for use in providing general government services or for payment of principal and interest on long-term debt. For 2022, the Township's real estate taxes were levied 2.1 mills for general purposes.

Real estate taxes receivable as of December 31, 2022 are \$307,351. An earned income tax receivable for \$1,125,000 and LST tax receivable for \$129,122 have also been recorded. Total taxes receivable are \$1,561,473.

5. Capital Assets

Capital asset activity for governmental activities for the year ended December 31, 2022 was:

	Beginning Balance at January 1, 2022	Additions	Deletions	Ending Balance at December 31, 2022
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 1,021,983	\$ -	\$ -	\$ 1,021,983
Construction in progress	555,692	-	-	555,692
Total capital assets, not being depreciated	<u>1,577,675</u>	<u>-</u>	<u>-</u>	<u>1,577,675</u>
Capital assets, being depreciated:				
Buildings	8,355,155	-	-	8,355,155
Machinery and equipment	1,338,463	325,952	(42,782)	1,621,633
Vehicles	5,609,118	206,819	(57,110)	5,758,827
Infrastructure	10,355,648	1,307,024	-	11,662,672
Total capital assets, being depreciated	<u>25,658,384</u>	<u>1,839,795</u>	<u>(99,892)</u>	<u>27,398,287</u>
Less accumulated depreciation:				
Buildings	1,678,458	171,532	-	1,849,990
Machinery and equipment	836,670	85,204	(42,782)	879,092
Vehicles	3,173,583	352,684	(57,110)	3,469,157
Infrastructure	6,085,333	806,985	-	6,892,318
Total accumulated depreciation	<u>11,774,044</u>	<u>1,416,405</u>	<u>(99,892)</u>	<u>13,090,557</u>
Total capital assets, being depreciated, net	<u>13,884,340</u>	<u>423,390</u>	<u>-</u>	<u>14,307,730</u>
Governmental activities capital assets, net	<u>\$ 15,462,015</u>	<u>\$ 423,390</u>	<u>\$ -</u>	<u>\$ 15,885,405</u>

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Capital asset activity for business-type activities for the year ended December 31, 2022 was:

	Beginning Balance at January 1, 2022	Additions	Deletions	Ending Balance at December 31, 2022
Business-type Activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 3,279,242	\$ 45,171	\$ -	\$ 3,324,413
Capital assets, being depreciated:				
System	11,268,837	-	-	11,268,837
Machinery and equipment	400,122	17,161	(17,494)	399,789
Total capital assets, being depreciated	11,668,959	17,161	(17,494)	11,668,626
Less accumulated depreciation:				
System	3,228,761	161,404	-	3,390,165
Machinery and equipment	304,345	17,113	(17,494)	303,964
Total accumulated depreciation	3,533,106	178,517	(17,494)	3,694,129
Total capital assets, being depreciated, net	8,135,853	(161,356)	-	7,974,497
Business-type activities capital assets, net	<u>\$ 11,415,095</u>	<u>\$ (116,185)</u>	<u>\$ -</u>	<u>\$ 11,298,910</u>

Depreciation expense was allocated to the Township's functions as follows:

Governmental activities:	
General government	\$ 180,353
Public safety	455,886
Public service	674,476
Human services	2,781
Culture and recreation	102,909
Total	<u>\$ 1,416,405</u>

6. Long-Term Liabilities

General Obligation Bonds

In December 2018, the Township issued the Series 2018 General Obligation Bonds (2018 Bonds) in the amount of \$6,750,000. Proceeds of the bonds are being used for construction and renovations of Brownhill Bridge, sewer projects along Saxonburg Boulevard, reimbursement to the Township's General Fund for costs and repairs made to the Township

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

facilities as a result of flooding, other capital projects to Township buildings and facilities and paying the costs of issuing the 2018 Bonds. Bonds were allocated \$5,197,500 to the business-type activities and the balance of \$1,552,500 was allocated to the governmental activities. The 2018 Bonds have various maturity dates through November 1, 2048 and range in interest rates from 3% to 4.625%.

In October 2019, the Township issued the Series 2019 General Obligation Bonds (2019 Bonds) in the amount of \$3,565,000. Proceeds of the bonds are being used to refund the Township's existing 2014 Bonds and Pennvest Loans to finance certain capital projects throughout the Township and pay the costs of issuing the 2019 Bonds. Bonds were allocated \$2,181,429 to the governmental activities and the balance of \$1,383,571 was allocated to the business-type activities. The 2019 Bonds have various maturity dates through September 15, 2039, and range in interest rates from 2% to 2.75%.

The Bonds are general obligations of the Township which are secured by the full faith, credit, and taxing power of the Township. In the event of the failure of the Township to pay interest or principal on the Bonds as they become due and payable, the holders of the Bonds shall be entitled to certain remedies. Among the remedies holders of the Bonds shall have the right to recover the amount due by bringing an action in the Court of Common Pleas of Allegheny County, Pennsylvania.

During 2022, changes in long-term debt were as follows:

	Governmental Activities	Business-type Activities
	<u>General Obligation Bonds</u>	<u>General Obligation Bonds</u>
Beginning of year	\$ 3,331,379	\$ 6,375,921
Additions	-	-
Principal payments	<u>(205,150)</u>	<u>(139,850)</u>
End of year	<u>\$ 3,126,229</u>	<u>\$ 6,236,071</u>

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Future debt service requirements on the long-term debt are as follows:

Year	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 205,150	\$ 101,010	\$ 306,160	\$ 139,850	\$ 250,096	\$ 389,946
2024	211,150	96,930	308,080	143,850	247,377	391,227
2025	217,150	92,643	309,793	147,850	244,288	392,138
2026	223,150	88,272	311,422	151,850	241,235	393,085
2027	229,150	83,780	312,930	155,850	238,101	393,951
2028-2032	601,050	356,763	957,813	853,950	1,127,993	1,981,943
2033-2037	377,350	279,968	657,318	1,142,650	918,482	2,061,132
2038-2042	433,029	194,756	627,785	1,394,271	649,356	2,043,627
2043-2047	511,750	99,676	611,426	1,713,250	333,699	2,046,949
2048	117,300	5,391	122,691	392,700	18,047	410,747
	<u>\$ 3,126,229</u>	<u>\$ 1,399,189</u>	<u>\$ 4,525,418</u>	<u>\$ 6,236,071</u>	<u>\$ 4,268,674</u>	<u>\$ 10,504,745</u>

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022	Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 3,331,379	\$ -	\$ (205,150)	\$ 3,126,229	\$ 205,150
Compensated absences	197,552	30,746	(19,430)	208,868	16,429
Net pension liability	(3,810,609)	3,949,805	-	139,196	-
Long-term liabilities	<u>\$ (281,678)</u>	<u>\$ 3,980,551</u>	<u>\$ (224,580)</u>	<u>\$ 3,474,293</u>	<u>\$ 221,579</u>
Business-Type Activities:					
General obligation bonds	\$ 6,375,921	\$ -	\$ (139,850)	\$ 6,236,071	\$ 139,850
Long-term liabilities	<u>\$ 6,375,921</u>	<u>\$ -</u>	<u>\$ (139,850)</u>	<u>\$ 6,236,071</u>	<u>\$ 139,850</u>

Bonds payable above do not reflect a bond premium related to the 2018 Bonds in the amount of \$137,795 for governmental activities. These amounts are amortized over the life of the bonds. All governmental activities' long-term liability payments, including those for compensated absences, were made by the General Fund. The Sanitary Sewer Fund makes all business-type activities long-term liability payments.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

7. Pension Plans

Summary of Significant Accounting Policies

Financial information of the Township's Pension Plans (Plans) is presented on the accrual basis of accounting. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plans, and additions to/deductions from the Township's fiduciary net position have been determined on the same basis as they are reported by the Plans. Employer contributions to each Plan are recognized when due as required by the applicable law. Benefits and refunds are recognized when due and payable in accordance with the terms of the individual Plan. Investments of the Plans are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price.

Plan Descriptions

The Township administers two, single-employer defined benefit pension plans established under the provisions of Act 205 of 1984 of the Commonwealth of Pennsylvania (Act) covering all full-time, nonuniform employees hired before January 1, 2001 and all full-time police officers: the Municipal Employees' Plan and the Police Plan. The Plans are governed by Council, which may amend plan provisions, and which is responsible for the management of plan assets. Council has delegated the authority to manage certain plan assets to PNC Institutional Asset Management. Plan provisions and contribution requirements are established and may be amended by the Township. Separate financial statements for each plan are available at the Township's offices.

At December 31, 2022, Plan membership consisted of the following:

	<u>Municipal Employees</u>	<u>Police</u>
Inactive plan members or beneficiaries currently receiving benefits	7	13
Inactive plan members entitled to but not yet receiving benefits	-	-
Active plan members	<u>12</u>	<u>15</u>
Total plan members	<u><u>19</u></u>	<u><u>28</u></u>

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Benefits Provided - Municipal Employees' Plan

Participants in the Municipal Employees' Defined Benefit Plan are 100% vested after ten years of service for Public Service employees and seven years of service for Clerical employees. The Municipal Employees' Defined Benefit Plan provides the following benefits:

Retirement Benefit – A participant is entitled to begin receiving retirement benefits after attaining age 65 and completing ten years of service (seven years for Clerical employees). A monthly benefit equal to 1.35% of the participant's final monthly average compensation (compensation averaged over the last 60 months of employment for Public Service employees and 36 months for Clerical employees), multiplied by years of service.

Disability Benefit – If a participant has 10 years of service or reaches age 40, whichever is later, the accrued benefit is payable, reduced by Social Security disability benefits, workers compensation, and other disability benefits provided by the employer.

Death Benefit – If a participant's death occurs before retirement, the participant's beneficiary receives a refund of contributions made by the participant, plus interest. After retirement, a participant has the option to select the normal form of benefit payment, which is a life annuity with 120 monthly payments guaranteed, or an actuarial equivalent of the normal form. If a participant's death occurs after retirement, the beneficiary will receive whichever form of payment the participant selected before death.

Benefits Provided - Police Plan

Participants in the Police Plan are 100% vested after 12 years of service. The Police Plan provides the following benefits:

Retirement Benefit – A participant is entitled to begin receiving retirement benefits after completing 25 years of service and attaining age 50. If the participant is hired on or before January 1, 1999, the scheduled monthly retirement benefit is 53% of the participant's final average monthly compensation earned during the last 36 months of employment, plus a service increment of \$30 per month for each completed year of service over 25 years up to a maximum of \$150 per month after completion of 30 years of service. If the participant is hired after January 1, 1999, the scheduled monthly retirement benefit is 50% of the participant's final average monthly compensation earned during the last 36 months of employment.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Disability Benefit – For total and permanent disablement, the participant will receive a monthly benefit equal to 50% of the participant's salary at the time the disability was incurred, offset by Social Security disability benefits for the same injury. If the disability was non-service related, then no disability benefit will be provided.

Death Benefit – If a participant's death occurs before retirement eligibility, the participant's beneficiary receives a refund of contributions made by the participant, plus interest. After retirement eligibility, the beneficiary will receive a monthly benefit equal to 50% of the pension the participant was receiving or was entitled to receive on the day of the participant's death. The monthly survivor benefits are payable to the participant's spouse for life. If there is no spouse or the spouse later dies, the benefit will be paid to the participant's dependent children, if any, until age 18, or age 23 if attending college.

Contributions

The Plans are funded by the Township on an annual basis pursuant to the provisions of the Act. The Act requires that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). Employees are not required to contribute under the Act; such contributions are subject to collective bargaining. For the year ended December 31, 2022, participating employees in the Municipal Employees' and Police Plans were required to contribute 3.0% of their compensation. During the year, the Township made their actuarially determined contribution of \$180,858 to the Police Plan based upon the MMO. The Municipal Employees' Plan did not require an MMO payment, as the Plan was considered to be fully funded for 2022.

Deferred Retirement Option Program (DROP)

The Police Plan includes a DROP, which is an optional form of benefit provided under the Plan and is operated by the Township. An employee who is eligible for a normal retirement benefit under the Police Plan or will be eligible for a normal retirement benefit under the Police Plan prior to participation in DROP is eligible to participate in DROP. Upon normal retirement eligibility, the participant may elect to continue working but have pension payments deposited to a DROP account for no more than three years. At DROP termination, the account value, including interest (no less than 0%, no more than 4.5%) is paid to the participant.

At December 31, 2022, the plan held no balance in DROP.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Net Pension Liability (Asset)

The components of the net pension liability (asset) of the Plans at December 31, 2022 were as follows:

	<u>Municipal Employees'</u>	<u>Police</u>	<u>Total</u>
Total pension liability	\$ 4,132,314	\$ 9,256,293	\$ 13,388,607
Plan fiduciary net position	<u>(4,123,885)</u>	<u>(9,125,526)</u>	<u>(13,249,411)</u>
Net pension liability (asset)	<u>\$ 8,429</u>	<u>\$ 130,767</u>	<u>\$ 139,196</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>99.8%</u>	<u>98.6%</u>	<u>99.0%</u>

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) of the Township for the Municipal Employees' Plan for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at December 31, 2021	\$ 3,797,595	\$ 5,060,884	\$ (1,263,289)
Changes for the year:			
Service cost	59,395	-	59,395
Interest	263,555	-	263,555
Changes of benefit terms	82,138	-	82,138
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	-	-
Contributions - employee	-	28,200	(28,200)
Net investment income (loss)	-	(863,342)	863,342
Benefit payments, including refunds	(70,369)	(70,369)	-
Administrative expense	-	(31,488)	31,488
Other changes	-	-	-
Net changes	334,719	(936,999)	1,271,718
Balances at December 31, 2022	\$ 4,132,314	\$ 4,123,885	\$ 8,429
Plan fiduciary net position as a percentage of the total pension liability			99.8%

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The changes in the net pension liability (asset) of the Township for the Police Plan for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at December 31, 2021	\$ 8,776,010	\$ 11,323,330	\$ (2,547,320)
Changes for the year:			
Service cost	307,865	-	307,865
Interest	599,430	-	599,430
Changes of benefit terms	12,979	-	12,979
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	180,858	(180,858)
Contributions - employee	-	44,272	(44,272)
Net investment income (loss)	-	(1,926,811)	1,926,811
Benefit payments, including refunds	(439,991)	(439,991)	-
Administrative expense	-	(56,132)	56,132
Other changes	-	-	-
Net changes	480,283	(2,197,804)	2,678,087
Balances at December 31, 2022	\$ 9,256,293	\$ 9,125,526	\$ 130,767
Plan fiduciary net position as a percentage of the total pension liability			98.6%

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation performed on January 1, 2021, and rolled forward to December 31, 2022, using the following actuarial assumptions, applied to all periods in the measurement:

	<u>Municipal Employees</u>	<u>Police</u>
Actuarial assumptions:		
Investment rate of return	6.75%	6.75%
Projected salary increases	4.00%	4.75%
Underlying inflation rate	2.50%	2.50%
Cost-of-living adjustments	None	None
Mortality	2010 Public Retirement Plan - General employees mortality tables. Mortality improvement projected from the year 2020 with rates derived from the Long-Range Demographic Assumptions for the 2020 Trustee Report.	2010 Public Retirement Plan - Public Safety employees mortality tables. Mortality improvement projected from the year 2020 with rates derived from the Long-Range Demographic Assumptions for the 2020 Trustee Report.

Changes in Benefits – In the Municipal Employees’ Plan, the multiplier for Clerical union participants was increased from 1.31% to 1.35% of Final monthly Average Compensation for each year of service, effective January 1, 2020.

Changes in Actuarial Assumptions – In the Municipal Employees’ Plan, the inflation assumption was lowered from 2.75% to 2.50%; the interest rate was lowered from 7.25% to 6.75%; the salary increase assumption was lowered from 4.50% to 4.00%; mortality was updated from RP-2014 with improvement based on 2015 SSA’s assumptions to PubS-2010 with improvement projected from 2020 based on 2020 SSA’s assumptions; and the disability assumption was updated from 2010 SSA’s Trustee Report to the 2020 SSA’s Trustee Report. In the Police Plan, the inflation assumption was lowered from 2.75% to 2.50%; the interest rate was lowered from 7.25% to 6.75%; mortality was updated from RP-2014 with 50% Blue Collar Adjustment and improvement based on 2015 SSA’s assumptions to PubS-2010 with improvement projected from 2020 based on 2020 SSA’s assumptions; and the disability assumption was updated from 2010 SSA’s Trustee Report to the 2020 SSA’s Trustee Report.

Investment Policy – The Plans’ policies in regard to the allocation of invested assets are established and may be amended by Township Council by a majority vote of its members. It is the policy of Township Council to make investments with judgment and care, under

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculating, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

Long-Term Expected Rate of Return – The long-term expected rate of return on Plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of inflation and investment expenses not funded through the MMO) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following was the asset allocation policy for each major asset class included in the Plans' target asset allocation as of December 31, 2022:

Asset Class	Target Allocation	
	Municipal Employees	Police
Equity	55-75%	55-75%
Fixed income	25-45%	25-45%
Cash equivalents	0-20%	0-20%

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

The following was the best estimates of arithmetic real rates of return for each major asset class included in the Plans' target asset allocation as of December 31, 2022:

Asset Class	Long-Term Expected Real Rate of Return	
	Municipal Employees	Police
U.S. Equity - Large Cap	4.09% - 7.34%	4.09% - 7.34%
U.S. Equity - Small/Mid Cap	5.01% - 9.06%	5.01% - 9.06%
Non-U.S. Equity - Developed	4.62% - 8.26%	4.62% - 8.26%
Non-U.S. Equity - Emerging	5.65% - 10.49%	5.65% - 10.49%
U.S. Corporate Bond - Core	0.88% - 2.02%	0.88% - 2.02%
U.S. Corporate Bond - High Yield	2.80% - 4.96%	2.80% - 4.96%
Non-U.S. Debt - Developed	0.44% - 1.89%	0.44% - 1.89%
Non-U.S. Debt - Emerging	2.69% - 4.76%	2.69% - 4.76%
U.S. Treasuries/Cash	0.07% - 0.53%	0.07% - 0.53%

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2022, the annual money-weighted rate of return on the Municipal Employees' and Police Plan investments, net of investment expense, was (17.17%) and (17.29%), respectively.

Concentrations – The Plans place no limit on the amount that may be invested in any one issuer. At December 31, 2022, the Plans had no investments (other than mutual funds or other pooled investments) in any one issuer that represents 5% or more of fiduciary net position.

Discount Rate – The discount rate used to measure the total pension liability for the Municipal Employees' and Police Plans was 6.75%. The projection of cash flows used to determine the discount rate assumed that Plan member contributions will be made at the current contribution rate and that the Township's contributions will be made based on the yearly MMO calculation. Based on those assumptions, the Plans' fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the net pension liability (asset) of the Plans calculated using the discount rates

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

described above, as well as what the Plans' net pension liabilities (assets) would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Municipal Employees' Plan	\$ 392,040	\$ 8,429	\$ (324,967)
	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Police Plan	\$ 1,244,856	\$ 130,767	\$ (801,350)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the Township recognized pension expense of \$157,905 for the Municipal Employees' Plan and \$385,768 for the Police Pension Plan. At December 31, 2022, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Municipal Employees	Police	Total
<u>Deferred Outflows of Resources:</u>			
Differences between expected and actual experience	\$ 45	\$ -	\$ 45
Changes in assumption	47,485	307,366	354,851
Net difference between projected and actual earnings on pension plan investments	556,906	1,241,877	1,798,783
Total deferred outflows of resources	\$ 604,436	\$ 1,549,243	\$ 2,153,679
	Municipal Employees	Police	Total
<u>Deferred Inflows of Resources:</u>			
Differences between expected and actual experience	\$ 18,245	\$ 238,006	\$ 256,251
Total deferred inflows of resources	\$ 18,245	\$ 238,006	\$ 256,251

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	Municipal Employees'	Police	Total
2023	\$ 34,181	\$ 51,145	\$ 85,326
2024	127,480	266,250	393,730
2025	184,028	419,681	603,709
2026	240,502	546,500	787,002
2027	-	16,272	16,272
Thereafter	-	11,389	11,389
	<u>\$ 586,191</u>	<u>\$ 1,311,237</u>	<u>\$ 1,897,428</u>

Defined Contribution Plan

All full-time public service and administrative employees hired after January 1, 2001 are participants in a defined contribution plan. This plan was placed into effect in June 2003. The Township administers the plan with Mission Square acting as the agent for the funds. All plan provisions were established by Township ordinance and any changes to those provisions are required to be made via ordinance.

Employees' contributions and Township contributions are based on classification. Administrative employees contribute 4% of gross salary with a 5% Township match and public service employees contribute 4% of gross salary with a 5% Township match. These contribution rates are defined in collective bargaining agreements. All amounts contributed vest immediately to the employee. All amounts forfeited by terminated participants shall be allocated to a suspense account and used to reduce dollar for dollar employer contributions required under the Plan.

There were no assets accumulated in a trust for purposes of providing pensions through this plan. There were 12 participants in the plan as of December 31, 2022. During 2022, employees contributed \$38,234 and the Township contributed \$47,793.

Deferred Compensation Plan

Employees of the Township may participate in a deferred compensation plan (plan) adopted under the provisions of Internal Revenue Code Section 457 (Deferred compensation plans

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

with respect to service for State and Local Governments), which is considered a defined contribution pension plan. As part of its fiduciary role, the Township has an obligation of due care in selecting the third-party administrator. The plan is available to all full-time employees of the Township. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. During 2022, the employer and employee contributions were approximately \$101,000.

8. Community Center

During 2013, the Township entered into an agreement with the Community Center Association (CCA), a not-for-profit corporation which operates a community center that serves six municipalities, including the Township, that comprise the Fox Chapel Area School District: Aspinwall, Blawnox, Fox Chapel, Indiana, and Sharpsburg, as well as the surrounding areas. The agreement was for CCA to operate a new community center on behalf of the Township. Construction of the new community center began in the fall of 2014 and the new Lauri Ann West Community Center opened in November 2015. The building is owned by the Township and is recorded as a capital asset on the statement of net position.

During 2013, the Township entered into a second agreement with CCA to lease the property and the new building and to operate the community center on behalf of the Township. There will be no required rental payments and the term of the lease commenced on September 1, 2013 for a period of ninety-nine years or until the useful life of the building is exhausted, whichever is earlier.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

During August 2014, the Township entered into a loan agreement with CCA to loan CCA \$1.5 million for the construction of the new community center or furniture and fixtures related to the community center. The Township reduced the amount owed by CCA from \$1.5 million to \$1.12 million effective December 31, 2017, as the construction of the community center was completed, and costs were finalized. Interest is due semi-annually commencing in May 2015. The first principal payment is scheduled for November 2024. The principal amount is not recorded as a receivable on the Township's financial statements as liability resides with the Township and Council could waive debt repayment in the future. Interest paid during 2022 was \$31,960. Future scheduled payments from CCA to the Township are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 31,960	\$ 31,960
2024	5,000	31,960	36,960
2025	220,000	31,835	251,835
2026	230,000	25,785	255,785
2027	245,000	19,460	264,460
2028-2029	420,000	17,550	437,550
Total	<u>\$ 1,120,000</u>	<u>\$ 158,550</u>	<u>\$ 1,278,550</u>

9. Commitments and Contingencies

Various claims and lawsuits are pending against the Township. In the opinion of the Township's management, the outcome of these claims and lawsuits will not have a material adverse effect on the accompanying financial statements.

There is an ongoing appeal process through which a taxpayer may contest the assessed value of their property. This process could result in the reduction of future assessed values and, consequently, a loss of tax revenues. There are outstanding appeals at December 31, 2022, the results of which have yet to be determined.

EPA Consent Decree

In 2003, the Allegheny County Health Department ordered 51 communities' tributary to the Allegheny County Sanitary Authority, whose sanitary sewers had been identified as being subject to possible wet weather overflows, to implement a comprehensive assessment,

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

flow monitoring and planning program. At this time, the Township is uncertain as to the impact this will have on future financial statements.

10. Risk Financing

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in the prior year.

For its workers' compensation insurance coverage, the Township participates in the Municipal Risk Management Workers' Compensation Pooled Trust (Trust), a public entity risk pool operated for the benefit of 287 cities, municipalities, boroughs, townships, and municipal authorities. Trust underwriting and rate-setting policies are established after consultation with an independent actuary and certain approvals of the Pennsylvania Department of Labor and Industry as mandated by Act 44 of 1993 (Act 44), as amended. All Trust participants may be subject to a supplemental assessment/dividend based on the overall experience of the participants, pursuant to Act 44. Each participant of the Trust agrees to jointly and severally assume and discharge the liabilities arising under the Workers' Compensation Act and Occupational Disease Act of each and every participant of the Trust. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The Trust purchased excess insurance coverage with statutory limits. The retention for this excess coverage is \$750,000 per occurrence. There were no significant reductions in insurance coverage from coverage in the prior year. Political subdivisions joining the Trust must remain members for a minimum of four years; a member may withdraw from the Trust after that time by giving ninety days' notice, subject to approval by the Trust actuary under specified circumstances related to the continued fiscal stability of the pool. At the time of withdrawal, the participant is responsible for their share of assessments but has no claim on any other assets of the Trust. Estimates of any additional assessments are unknown.

**REQUIRED SUPPLEMENTARY
INFORMATION**

TOWNSHIP OF O'HARA, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE PLAN NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

MUNICIPAL EMPLOYEES' PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service cost	\$ 59,395	\$ 76,945	\$ 72,646	\$ 68,787	\$ 72,754	\$ 69,621	\$ 67,442	\$ 64,230	\$ 59,809
Interest	263,555	242,303	234,536	219,451	224,913	210,355	194,785	183,117	166,794
Changes of benefit terms	82,138	-	18,706	-	-	18,548	-	-	-
Differences between expected and actual experience	-	107	-	(261,513)	-	(27,108)	-	443	-
Changes of assumptions	-	110,799	-	-	-	139,851	-	81,977	-
Benefit payments, including refunds of employee contributions	(70,369)	(67,656)	(67,656)	(136,611)	(79,425)	(85,089)	(97,423)	(92,624)	(98,869)
Net Changes in Total Pension Liability	334,719	362,498	258,232	(109,886)	218,242	326,178	164,804	237,143	127,734
Total Pension Liability - Beginning	3,797,595	3,435,097	3,176,865	3,286,751	3,068,509	2,742,331	2,577,527	2,340,384	2,212,650
Total Pension Liability - Ending (a)	\$ 4,132,314	\$ 3,797,595	\$ 3,435,097	\$ 3,176,865	\$ 3,286,751	\$ 3,068,509	\$ 2,742,331	\$ 2,577,527	\$ 2,340,384
Plan Fiduciary Net Position:									
Contributions - employer	\$ -	\$ -	\$ -	\$ 17,385	\$ 7,500	\$ 6,460	\$ 4,717	\$ 11,018	\$ 5,518
Contributions - employee	28,200	29,541	28,829	24,584	30,171	27,841	26,452	27,546	26,168
Net investment income (loss)	(863,342)	586,392	646,011	694,608	(163,691)	521,449	144,802	23,205	221,939
Benefit payments, including refunds of employee contributions	(70,369)	(67,656)	(67,656)	(136,611)	(79,425)	(85,089)	(97,423)	(92,624)	(98,869)
Administrative expense	(31,488)	(19,928)	(23,701)	(26,585)	(27,785)	(20,516)	(21,880)	(23,525)	(700)
Net Change in Plan Fiduciary Net Position	(936,999)	528,349	583,483	573,381	(233,230)	450,145	56,668	(54,380)	154,056
Plan Fiduciary Net Position - Beginning	5,060,884	4,532,535	3,949,052	3,375,671	3,608,901	3,158,756	3,102,088	3,156,468	3,002,412
Plan Fiduciary Net Position - Ending (b)	\$ 4,123,885	\$ 5,060,884	\$ 4,532,535	\$ 3,949,052	\$ 3,375,671	\$ 3,608,901	\$ 3,158,756	\$ 3,102,088	\$ 3,156,468
Net Pension Liability (Asset) - Ending (a-b)	\$ 8,429	\$ (1,263,289)	\$ (1,097,438)	\$ (772,187)	\$ (88,920)	\$ (540,392)	\$ (416,425)	\$ (524,561)	\$ (816,084)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.8%	133.3%	131.9%	124.3%	102.7%	117.6%	115.2%	120.4%	134.9%
Covered Payroll	\$ 866,938	\$ 964,140	\$ 960,967	\$ 899,129	\$ 879,876	\$ 930,963	\$ 899,736	\$ 900,456	\$ 872,249
Net Pension Liability (Asset) as a Percentage of Covered Payroll	1.0%	(131.0%)	(114.2%)	(85.9%)	(10.1%)	(58.0%)	(46.3%)	(58.3%)	(93.6%)

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to schedules of required supplementary information.

TOWNSHIP OF O'HARA, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE PLAN NET PENSION
LIABILITY (ASSET) AND RELATED RATIOS

POLICE PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service cost	\$ 307,865	\$ 293,549	\$ 227,984	\$ 217,646	\$ 186,501	\$ 177,801	\$ 166,029	\$ 158,123	\$ 184,754
Interest	599,430	573,570	581,860	559,896	541,805	514,495	521,688	498,018	488,298
Changes of benefit terms	12,979	-	-	-	18,337	-	-	-	-
Differences between expected and actual experience	-	(289,921)	-	(47,381)	-	(610,761)	-	(228,405)	-
Changes of assumptions	-	415,214	-	-	-	346,298	-	-	-
Benefit payments, including refunds of employee contributions	(439,991)	(580,316)	(478,814)	(490,842)	(435,203)	(253,284)	(333,906)	(362,441)	(217,010)
Net Changes in Total Pension Liability	480,283	412,096	331,030	239,319	311,440	174,549	353,811	65,295	456,042
Total Pension Liability	8,776,010	8,363,914	8,032,884	7,793,565	7,482,125	7,307,576	6,953,765	6,888,470	6,432,428
Total Pension Liability - Ending (a)	\$ 9,256,293	\$ 8,776,010	\$ 8,363,914	\$ 8,032,884	\$ 7,793,565	\$ 7,482,125	\$ 7,307,576	\$ 6,953,765	\$ 6,888,470
Plan Fiduciary Net Position:									
Contributions - employer	\$ 180,858	\$ 192,858	\$ 158,789	\$ 80,342	\$ 105,273	\$ 85,855	\$ 115,287	\$ 174,137	\$ 192,939
Contributions - employees	44,272	42,809	42,818	38,732	35,044	35,498	36,121	38,265	35,663
Net investment income (loss)	(1,926,811)	1,316,899	1,417,438	1,632,360	(376,980)	1,259,420	345,183	57,903	572,588
Benefit payments, including refunds of employee contributions	(439,991)	(580,316)	(478,814)	(490,842)	(435,203)	(253,284)	(333,906)	(362,441)	(217,010)
Administrative expense	(56,132)	(42,580)	(49,986)	(51,257)	(52,686)	(46,426)	(48,802)	(44,106)	(41,109)
Net Change in Plan Fiduciary Net Position	(2,197,804)	929,670	1,090,245	1,209,335	(724,552)	1,081,063	113,883	(136,242)	543,071
Plan Fiduciary Net Position - Beginning	11,323,330	10,393,660	9,303,415	8,094,080	8,818,632	7,737,569	7,623,686	7,759,928	7,216,857
Plan Fiduciary Net Position - Ending (b)	\$ 9,125,526	\$ 11,323,330	\$ 10,393,660	\$ 9,303,415	\$ 8,094,080	\$ 8,818,632	\$ 7,737,569	\$ 7,623,686	\$ 7,759,928
Net Pension Liability (Asset) - Ending (a-b)	\$ 130,767	\$ (2,547,320)	\$ (2,029,746)	\$ (1,270,531)	\$ (300,515)	\$ (1,336,507)	\$ (429,993)	\$ (669,921)	\$ (871,458)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.6%	129.0%	124.3%	115.8%	103.9%	117.9%	105.9%	109.6%	112.7%
Covered Payroll	\$ 1,574,325	\$ 1,411,909	\$ 1,482,894	\$ 1,295,946	\$ 1,233,205	\$ 1,207,403	\$ 1,096,303	\$ 1,268,760	\$ 1,265,860
Net Pension Liability (Asset) as a Percentage of Covered Payroll	8.3%	(180.4%)	(136.9%)	(98.0%)	(24.4%)	(110.7%)	(39.2%)	(52.8%)	(68.8%)

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to schedules of required supplementary information.

TOWNSHIP OF O'HARA, PENNSYLVANIA

SCHEDULES OF PLAN CONTRIBUTIONS AND INVESTMENT RETURNS

YEARS ENDED DECEMBER 31
LAST TEN YEARS

MUNICIPAL EMPLOYEES' PLAN:

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Schedule of Township Contributions:										
Actuarially determined contribution	\$ -	\$ 5,518	\$ 11,018	\$ 4,717	\$ 6,460	\$ 5,794	\$ 17,385	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	-	5,518	11,018	4,717	6,460	7,500	17,385	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,706)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 791,027	\$ 872,249	\$ 900,456	\$ 899,736	\$ 930,963	\$ 879,876	\$ 899,129	\$ 960,967	\$ 964,140	\$ 866,938
Contributions as a percentage of covered payroll	0.0%	0.6%	1.2%	0.5%	0.7%	0.9%	1.9%	0.0%	0.0%	0.0%
Investment Returns:										
Annual money-weighted rate of return, net of investment expense	n/a	8.08%	0.74%	4.72%	16.69%	(4.58%)	21.09%	16.42%	13.02%	(17.17%)

POLICE PLAN:

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Schedule of Township Contributions:										
Actuarially determined contribution	\$ 182,179	\$ 192,939	\$ 174,137	\$ 97,948	\$ 80,630	\$ 78,866	\$ 74,128	\$ 151,288	\$ 185,164	\$ 180,858
Contributions in relation to the actuarially determined contribution	182,179	192,939	174,137	115,287	85,855	105,273	80,342	158,789	192,858	180,858
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (17,339)	\$ (5,225)	\$ (26,407)	\$ (6,214)	\$ (7,501)	\$ (7,694)	\$ -
Covered payroll	\$ 1,189,499	\$ 1,265,860	\$ 1,268,760	\$ 1,096,303	\$ 1,207,403	\$ 1,233,205	\$ 1,295,946	\$ 1,482,894	\$ 1,574,325	\$ 1,574,325
Contributions as a percentage of covered payroll	15.3%	15.2%	13.7%	10.5%	7.1%	8.5%	6.2%	10.7%	12.3%	11.5%
Investment Returns:										
Annual money-weighted rate of return, net of investment expense	n/a	8.09%	0.76%	4.63%	16.82%	(4.53%)	21.24%	15.76%	13.04%	(17.29%)

See accompanying notes to schedules of required supplementary information.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2022

Actuarial Methods and Assumptions

The information presented in the required supplementary information was determined as part of the actuarial valuations at the dates indicated. Methods and assumptions used to determine contribution rates are as follows:

	Municipal Employees	Police
Actuarial valuation date	1/1/2019	1/1/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar, Open	Level Dollar, Open
Remaining amortization period	17 years	17 years
Asset valuation method	4-Year Smoothing	4-Year Smoothing
Actuarial assumptions:		
Investment rate of return	7.25%*	7.25%*
Projected salary increases	4.50%	4.75%
Inflation	2.75%	2.75%
Cost-of-living adjustments	None	None
Mortality	RP-2014 Mortality Table, with rates set forward 5 years for disabled lives. Mortality improvement based on the Long-Range Demographic Assumptions for the 2015 SSA's Trustee Report.	RP-2014 Mortality Table with 50% Blue Collar adjustment; rates set forward 5 years for disabled lives. Mortality improvement based on the Long-Range Demographic Assumptions for the 2015 SSA's Trustee Report.

*Net of investment expenses not funded through the MMO, and including inflation.

Benefit Changes

Municipal Employees' Plan – On January 1, 2012, the benefit multiplier increased from 1.2% to 1.3% per year of service for all employees. For clerical workers, the averaging period for final average salary was reduced from 48 to 36 months, and the service requirement for vesting was reduced from 10 to 7 years. On January 1, 2017, for public works employees, the benefit multiplier was increased from 1.30% to 1.31%.

TOWNSHIP OF O'HARA, PENNSYLVANIA

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2022

Police Plan – On January 1, 2012, the killed-in-service benefit was removed, and Deferred Retirement Option Plan (DROP) was added. On January 1, 2019, the service increment was added to provide participants an additional benefit of \$15 per month for each year completed over 25 years of service, up to a maximum of \$75.

Changes in Actuarial Assumptions

Municipal Employees' Plan – On January 1, 2011, the mortality assumption was updated to the RP-2000 Combined Healthy Morality Table. Rates projected to improve with 100% of scale AA. On January 1, 2015, the mortality assumption was changed to remove the Blue-Collar Adjustment and increase the improvement to 100% of scale AA. On January 1, 2017, the interest rate was lowered from 7.5% to 7.25%; the salary projection was lowered from 5.0% to 4.50%; inflation was lowered from 3.0% to 2.75%; and the mortality assumption was updated to RP-2014 Mortality Table with rates set forward 5 years for disabled lives. Mortality improvement was based on the Long-Range Demographic Assumptions for the 2015 SSA's Trustee Report. The disability assumption was updated to rates based on the Social Security Administration's 2010 projection of disability incidence.

Police Plan – On January 1, 2011, the morality assumption was updated to the RP-2000 Combined Healthy Morality Table with Blue Collar Adjustment. Rates were projected to improve with 75% of scale AA. Rates of retirement were added. On January 1, 2017, the interest rate was lowered from 7.5% to 7.25%; the salary projection was lowered from 5.0% to 4.75%; inflation was lowered from 3.0% to 2.75%; and the mortality assumption was updated to RP-2014 Mortality Table with 50% of the Blue Collar adjustment and rates set forward 5 years for disabled lives. Mortality improvement was based on the Long-Range Demographic Assumptions for the 2015 SSA's Trustee Report. The disability assumption was updated to rates based on the Social Security Administration's 2010 projection of disability incidence.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

TOWNSHIP OF O'HARA, PENNSYLVANIA

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

HIGHWAY AID FUND

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Intergovernmental	\$ 269,165	\$ 269,165	\$ 288,646	\$ 19,481
Interest	100	100	6,943	6,843
Total revenues	<u>269,265</u>	<u>269,265</u>	<u>295,589</u>	<u>26,324</u>
Expenditures:				
Public service	268,000	268,000	98,149	169,851
Net Change in Fund Balance	1,265	1,265	197,440	196,175
Fund balance - beginning of year	<u>243,837</u>	<u>243,837</u>	<u>243,837</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 245,102</u></u>	<u><u>\$ 245,102</u></u>	<u><u>\$ 441,277</u></u>	<u><u>\$ 196,175</u></u>

TOWNSHIP OF O'HARA, PENNSYLVANIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2022

	Municipal Employees	Police	Total
Assets			
Investments:			
Money market mutual funds	\$ 175,709	\$ 444,668	\$ 620,377
Mutual funds - fixed income	761,152	1,740,751	2,501,903
Exchange traded funds - fixed income	568,230	1,132,791	1,701,021
Mutual funds - equity	666,583	1,606,963	2,273,546
Exchange traded funds - equity	1,949,573	4,202,539	6,152,112
Interest and dividends receivable	1,591	3,734	5,325
Member contribution in transit	1,047	1,617	2,664
Total Assets	4,123,885	9,133,063	13,256,948
Liabilities			
Refund of member contributions payable	-	7,537	7,537
Total Liabilities	-	7,537	7,537
Net Position Restricted For			
Pension benefits	\$ 4,123,885	\$ 9,125,526	\$ 13,249,411

TOWNSHIP OF O'HARA, PENNSYLVANIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2022

	Municipal Employees	Police	Total
Additions:			
<hr/>			
Contributions:			
Employees	\$ 28,200	\$ 44,272	\$ 72,472
Employer, including state aid	-	180,858	180,858
Total contributions	28,200	225,130	253,330
Investment income (loss):			
Net appreciation (depreciation) in fair value of investments	(965,601)	(2,147,913)	(3,113,514)
Interest and dividends	102,259	221,102	323,361
Less investment expense	(21,767)	(47,782)	(69,549)
Net investment income (loss)	(885,109)	(1,974,593)	(2,859,702)
Total additions	(856,909)	(1,749,463)	(2,606,372)
Deductions:			
<hr/>			
Benefits	70,369	439,991	510,360
Administrative expense	9,721	8,350	18,071
Total deductions	80,090	448,341	528,431
Change in Net Position	(936,999)	(2,197,804)	(3,134,803)
Net position - beginning	5,060,884	11,323,330	16,384,214
Net position - ending	\$ 4,123,885	\$ 9,125,526	\$ 13,249,411

Statistical Section

This part of the Township of O'Hara's, Pennsylvania (Township) annual comprehensive financial report presents detailed information as a means of understanding what the information in the financial statements, note disclosures and required supplementary information says about the Township's overall financial health.

Financial Trends – Page 77

These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.

Revenue Capacity – Page 85

These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

Debt Capacity – Page 89

These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and the government's ability to issue debt in the future.

Demographic and Economic Information – Page 94

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.

Operating Information – Page 96

These schedules contain service and infrastructure data to help the reader understand how the information in the Township's financial report relates to services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

TOWNSHIP OF O'HARA, PENNSYLVANIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2013	2014	2015	2016	2017	2018*	2019	2020	2021	2022
Governmental activities:										
Net investment in capital assets	\$ 6,164,950	\$ 6,620,986	\$ 12,648,304	\$ 12,801,850	\$ 13,189,424	\$ 11,494,391	\$ 12,640,857	\$ 12,033,995	\$ 11,987,329	\$ 12,621,381
Restricted	163,758	4,413,890	1,248,753	1,120,639	1,973,021	476,192	2,166,381	3,353,046	4,054,446	441,277
Unrestricted	6,422,915	6,372,823	5,705,416	4,946,212	3,761,243	3,510,559	1,889,846	1,800,235	3,191,434	7,207,035
Total governmental activities net position	\$ 12,751,623	\$ 17,407,699	\$ 19,602,473	\$ 18,868,701	\$ 18,923,688	\$ 15,481,142	\$ 16,697,084	\$ 17,187,276	\$ 19,233,209	\$ 20,269,693
Business-type activities:										
Net investment in capital assets	\$ 1,621,196	\$ 2,082,459	\$ 2,328,764	\$ 2,747,559	\$ 3,254,960	\$ (1,616,232)	\$ 4,091,016	\$ 4,987,842	\$ 5,039,174	\$ 5,062,839
Restricted	-	-	-	-	-	6,817,602	250,000	-	-	-
Unrestricted	(732,393)	(1,121,446)	(1,579,043)	(1,532,267)	(2,070,987)	(2,166,227)	(2,344,347)	(1,918,485)	(2,750,176)	(2,985,937)
Total business-type activities net position	\$ 888,803	\$ 961,013	\$ 749,721	\$ 1,215,292	\$ 1,183,973	\$ 3,035,143	\$ 1,996,669	\$ 3,069,357	\$ 2,288,998	\$ 2,076,902
Primary government:										
Net investment in capital assets	\$ 7,786,146	\$ 8,703,445	\$ 14,977,068	\$ 15,549,409	\$ 16,444,384	\$ 9,878,159	\$ 16,731,873	\$ 17,021,837	\$ 17,026,503	\$ 17,684,220
Restricted	163,758	4,413,890	1,248,753	1,120,639	1,973,021	7,293,794	2,416,381	3,353,046	4,054,446	441,277
Unrestricted	5,690,522	5,251,377	4,126,373	3,413,945	1,690,256	1,344,332	(454,501)	(118,250)	441,258	4,221,098
Total primary government net position	\$ 13,640,426	\$ 18,368,712	\$ 20,352,194	\$ 20,083,993	\$ 20,107,661	\$ 18,516,285	\$ 18,693,753	\$ 20,256,633	\$ 21,522,207	\$ 22,346,595

The Township implemented GASB Statement No. 63 and GASB Statement No. 65 in 2012 and GASB Statement No. 68 in 2015.

TOWNSHIP OF O'HARA, PENNSYLVANIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Expenses:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
General government	\$ 886,090	\$ 807,262	\$ 1,006,355	\$ 1,265,865	\$ 1,786,298	\$ 2,080,229	\$ 721,604	\$ 1,073,182	\$ 1,068,396	\$ 1,596,037
Public safety	2,996,404	2,959,868	3,000,712	3,308,963	3,101,441	3,556,531	3,547,596	3,301,375	2,993,669	3,737,204
Public service	2,904,047	2,641,101	2,502,734	2,576,197	2,525,282	3,026,108	3,156,982	3,353,414	2,945,086	3,878,168
Human services	-	-	-	-	-	-	-	-	-	22,415
Culture and recreation	412,344	1,457,692	1,699,414	1,615,973	822,526	613,161	602,867	503,865	639,599	813,887
Interest on long-term debt	74,660	135,684	65,456	69,269	65,225	154,928	110,636	225,283	100,744	70,547
Total governmental activities expenses	7,273,545	8,001,607	8,274,671	8,836,267	8,300,772	9,430,957	8,139,685	8,457,119	7,747,494	10,118,258
Business-type activities:										
Sewer	1,903,317	1,912,160	2,332,965	1,990,324	2,461,364	2,484,423	3,271,233	3,066,717	3,904,335	3,684,716
Stormwater	-	-	-	-	-	-	-	2,945	1,098,235	771,386
Total primary government expenses	9,176,862	9,913,767	10,607,636	10,826,591	10,762,136	11,915,380	11,410,918	11,526,781	12,750,064	14,574,360
 Program Revenues:										
Governmental activities:										
Charges for service:										
General government	115,063	156,881	92,864	103,971	319,108	355,641	297,610	335,281	291,802	277,612
Public safety	156,107	69,356	70,407	19,238	79,137	68,945	75,747	71,391	22,961	14,586
Public service	75,164	98,363	59,062	49,604	62,698	74,193	54,732	55,254	65,258	59,217
Culture and recreation	26,917	23,610	18,574	25,924	23,655	13,135	23,705	-	20,615	24,509
Operating grants and contributions	973,928	850,631	982,815	913,284	539,685	550,642	673,767	764,686	714,572	1,351,330
Capital grants and contributions	-	-	819,000	55,600	137,119	-	-	-	-	-
Total governmental activities program revenues	1,347,179	1,198,841	2,042,722	1,167,621	1,161,402	1,062,556	1,125,561	1,226,612	1,115,208	1,727,254
Business-type activities:										
Charges for service:										
Sewer	1,915,884	1,984,283	2,239,961	2,395,680	2,611,320	2,714,703	3,011,987	3,492,315	3,298,704	3,358,861
Stormwater	-	-	-	-	-	-	-	300,912	922,273	875,688
Operating grants and contributions	-	-	-	55,096	-	-	-	408,285	-	-
Capital grants and contributions	32,888	-	2,501	4,700	109,162	-	-	-	-	-
Total business-type activities revenues	1,948,772	1,984,283	2,242,462	2,455,476	2,720,482	2,714,703	3,011,987	4,201,512	4,220,977	4,234,549
Total primary government program revenues	3,295,951	3,183,124	4,285,184	3,623,097	3,881,884	3,777,259	4,137,548	5,428,124	5,336,185	5,961,803
 Net (expense) revenue										
Governmental activities	(5,926,366)	(6,802,766)	(6,231,949)	(7,668,646)	(7,139,370)	(8,368,401)	(7,014,124)	(7,230,507)	(6,632,286)	(8,391,004)
Business-type activities	45,455	72,123	(90,503)	465,152	259,118	230,280	(259,246)	1,131,850	(781,593)	(221,553)
Total primary government net expense	(5,880,911)	(6,730,643)	(6,322,452)	(7,203,494)	(6,880,252)	(8,138,121)	(7,273,370)	(6,098,657)	(7,413,879)	(8,612,557)

(Continued)

**TOWNSHIP OF O'HARA, PENNSYLVANIA
CHANGES IN NET POSITION - CONTINUED
LAST TEN FISCAL YEARS
(accrual basis of accounting)**

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes										
Property taxes	2,068,837	1,987,254	2,037,748	2,085,897	2,109,923	2,137,565	2,365,444	2,622,557	2,681,955	2,686,884
Earned income and other taxes	4,252,601	4,878,159	4,620,816	4,645,435	4,748,377	4,773,811	5,089,542	4,679,548	5,593,268	6,200,813
Regional Assets Development Tax	128,565	133,278	137,967	145,868	149,844	150,922	156,313	144,239	166,002	201,357
Investment earnings	5,615	3,137	2,334	4,032	5,534	10,641	4,798	1,245	2,200	53,241
Other	12,354	4,457,014	72,301	53,642	180,679	233,516	253,098	213,164	234,794	285,193
Transfers	-	-	-	-	-	-	845,371	59,946	-	-
Extraordinary Item	-	-	-	-	-	(760,498)	(484,500)	-	-	-
Total general revenues and other changes in net position	<u>6,467,972</u>	<u>11,458,842</u>	<u>6,871,166</u>	<u>6,934,874</u>	<u>7,194,357</u>	<u>6,545,957</u>	<u>8,230,066</u>	<u>7,720,699</u>	<u>8,678,219</u>	<u>9,427,488</u>
Business-type activities:										
Investment earnings	171	87	51	419	1,563	788	66,143	784	1,234	9,457
Transfers	-	-	-	-	-	-	(845,371)	(59,946)	-	-
Total business-type activities	<u>171</u>	<u>87</u>	<u>51</u>	<u>419</u>	<u>1,563</u>	<u>788</u>	<u>(779,228)</u>	<u>(59,162)</u>	<u>1,234</u>	<u>9,457</u>
Total primary government	<u>6,468,143</u>	<u>11,458,929</u>	<u>6,871,217</u>	<u>6,935,293</u>	<u>7,195,920</u>	<u>6,546,745</u>	<u>7,450,838</u>	<u>7,661,537</u>	<u>8,679,453</u>	<u>9,436,945</u>
Change in Net Position:										
Governmental activities	541,606	4,656,076	639,217	(733,772)	54,987	(1,822,444)	1,215,942	490,192	2,045,933	1,036,484
Business-type activities	45,626	72,210	(90,452)	465,571	260,681	231,068	(1,038,474)	1,072,688	(780,359)	(212,096)
Total primary government	<u>\$ 587,232</u>	<u>\$ 4,728,286</u>	<u>\$ 548,765</u>	<u>\$ (268,201)</u>	<u>\$ 315,668</u>	<u>\$ (1,591,376)</u>	<u>\$ 177,468</u>	<u>\$ 1,562,880</u>	<u>\$ 1,265,574</u>	<u>\$ 824,388</u>

(Concluded)

The Township implemented GASB Statement No. 63 and GASB Statement No. 65 in 2012.

TOWNSHIP OF O'HARA, PENNSYLVANIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Property Tax	Local Services Tax	Real Estate Transfer Tax	Earned Income Tax	Other Tax
2013	\$ 2,068,837	\$ 486,700	\$ 519,214	\$ 3,574,115	\$ 2,600
2014	2,065,699	679,876	649,391	3,490,231	2,400
2015	2,095,468	641,631	662,573	3,305,399	1,800
2016	2,102,554	616,365	796,773	3,232,330	1,200
2017	2,109,923	559,181	695,166	3,492,630	1,400
2018	2,137,656	576,854	541,237	3,654,120	1,600
2019	2,365,444	586,700	702,230	3,800,012	600
2020	2,622,557	584,459	626,197	3,468,292	600
2021	2,681,955	565,664	933,461	4,091,543	2,600
2022	2,686,884	567,887	1,175,637	4,454,937	2,352

Note: Regional Asset District tax is not included above, as it is not levied by the Township. The tax is a portion of the 1% sales tax levied by Allegheny County.

TOWNSHIP OF O'HARA, PENNSYLVANIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund:										
Restricted	\$ 163,755	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	588,252	696,198	706,887	587,357	450,748	120,000	120,000	160,000	360,000	435,000
Assigned	141,515	122,568	122,568	21,595	21,595	21,595	21,595	21,595	21,595	21,595
Unassigned	3,242,187	3,038,091	3,279,682	2,994,051	2,512,378	1,636,282	1,669,384	2,270,546	3,351,877	3,816,455
Total General Fund	<u>4,135,709</u>	<u>3,856,857</u>	<u>4,109,137</u>	<u>3,603,003</u>	<u>2,984,721</u>	<u>1,777,877</u>	<u>1,810,979</u>	<u>2,452,141</u>	<u>3,733,472</u>	<u>4,273,050</u>
All other governmental funds:										
Restricted	3	5,913,890	1,072,610	274,221	96,122	6,904,359	123,663	225,862	243,837	441,277
Committed	1,008,631	1,018,339	-	-	162,775	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,008,634</u>	<u>\$ 6,932,229</u>	<u>\$ 1,072,610</u>	<u>\$ 274,221</u>	<u>\$ 258,897</u>	<u>\$ 6,904,359</u>	<u>\$ 123,663</u>	<u>\$ 225,862</u>	<u>\$ 243,837</u>	<u>\$ 441,277</u>

TOWNSHIP OF O'HARA, PENNSYLVANIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues:										
Taxes	\$ 6,776,435	\$ 6,942,419	\$ 6,787,118	\$ 6,878,433	\$ 6,993,904	\$ 7,011,472	\$ 7,563,345	\$ 7,551,932	\$ 8,304,166	\$ 9,080,134
Intergovernmental	611,493	510,329	636,045	552,792	539,685	550,642	673,767	764,686	714,572	1,351,330
Fines and forfeitures	19,274	22,860	25,646	27,435	18,948	19,778	29,862	36,345	35,956	28,393
Licenses and permits	184,936	219,547	131,763	148,905	145,583	182,548	125,905	142,939	125,779	128,868
Charges for service	169,041	105,803	83,498	22,397	90,792	89,444	79,828	75,655	26,854	17,451
Franchise fees	207,823	214,840	221,144	226,054	229,275	220,544	216,199	206,987	212,047	201,212
Investment earnings	5,615	3,137	2,334	4,032	5,534	10,641	4,798	1,245	2,200	53,241
Miscellaneous	168,801	4,582,476	1,020,326	247,079	391,284	233,116	253,098	213,164	234,794	285,193
Total revenues	8,143,418	12,601,411	8,907,874	8,107,127	8,415,005	8,318,185	8,946,802	8,992,953	9,656,368	11,145,822
Expenditures:										
General government	807,609	722,683	927,056	1,049,516	1,494,463	1,581,099	561,973	984,442	1,044,700	1,246,463
Public safety	2,767,965	2,671,471	2,874,678	2,807,694	2,732,569	2,955,761	3,010,342	3,038,630	2,939,818	3,076,408
Public service	2,621,433	2,370,606	2,320,957	2,232,691	2,164,305	2,563,207	2,501,874	2,659,427	2,346,963	3,203,692
Human services	-	-	-	-	-	-	-	-	-	19,634
Culture and recreation	381,474	1,336,511	930,153	1,435,649	722,119	534,546	507,197	428,297	543,486	710,978
Debt service:										
Principal	170,200	178,600	186,200	178,600	178,600	182,400	2,617,950	205,200	196,150	205,150
Administrative fee	520	66,820	780	780	-	102,845	2,340	1,560	1,560	1,560
Interest	74,777	70,844	61,609	69,062	68,004	64,479	118,464	270,398	109,059	105,124
Capital outlay	792,850	1,063,241	7,213,780	1,637,658	1,688,551	1,303,675	2,098,954	721,584	1,175,326	1,839,795
Total expenditures	7,616,828	8,480,776	14,515,213	9,411,650	9,048,611	9,288,012	11,419,094	8,309,538	8,357,062	10,408,804
Excess of revenues over (under) expenditures	526,590	4,120,635	(5,607,339)	(1,304,523)	(633,606)	(969,827)	(2,472,292)	683,415	1,299,306	737,018
Other financing sources (uses):										
Issuance of bonds	-	3,342,600	-	-	-	6,750,000	2,181,429	-	-	-
Premium (Discount) on refunding bonds net	-	5,908	-	-	-	165,355	-	-	-	-
Payments on currently refunded bonds	-	(1,824,400)	-	-	-	-	-	-	-	-
Transfers in	-	1,000,109	-	-	-	-	845,371	59,946	-	-
Transfers out	-	(1,000,109)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	1,524,108	-	-	-	6,915,355	3,026,800	59,946	-	-
Extraordinary item	-	-	-	-	-	(760,498)	(484,500)	-	-	-
Net Change in Fund Balances	\$ 526,590	\$ 5,644,743	\$ (5,607,339)	\$ (1,304,523)	\$ (633,606)	\$ 5,185,030	\$ 70,008	\$ 743,361	\$ 1,299,306	\$ 737,018
Debt service as a percentage of noncapital expenditures	3.59%	3.36%	3.39%	3.19%	3.35%	3.09%	29.36%	6.27%	4.25%	3.62%
Debt service as a percentage of total expenditures	3.73%	2.94%	1.71%	2.63%	2.73%	2.73%	23.96%	5.72%	3.65%	2.98%

Source: Township Annual Audit and Financial Report.

TOWNSHIP OF O'HARA, PENNSYLVANIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>Property Tax</u>	<u>Local (1) Services Tax</u>	<u>Real Estate Transfer Tax</u>	<u>Earned Income Tax</u>	<u>Other Tax</u>	<u>Total</u>
2013	\$ 2,068,837	\$ 486,700	\$ 519,214	\$ 3,574,115	\$ 2,600	\$ 6,651,466
2014	2,065,699	679,876	649,391	3,490,231	2,400	6,887,597
2015	2,095,468	641,631	662,573	3,305,399	1,800	6,706,871
2016	2,102,554	616,365	796,773	3,232,330	1,200	6,749,222
2017	2,090,683	559,181	695,166	3,497,630	1,400	6,844,060
2018	2,121,739	576,854	557,063	3,603,294	1,600	6,860,550
2019	2,357,490	586,700	702,230	3,760,012	600	7,407,032
2020	2,628,145	584,459	626,197	3,568,292	600	7,407,693
2021	2,664,896	565,664	933,461	3,971,543	2,600	8,138,164
2022	2,695,991	579,860	1,175,637	4,424,937	2,352	8,878,777

Note: Regional Asset District tax is not included above, as it is not levied by the Township. The tax is a portion of the 1% sales tax levied by Allegheny County.

Source: Township Annual Audit and Financial Report.

TOWNSHIP OF O'HARA, PENNSYLVANIA
MUNICIPAL EARNED INCOME TAX REVENUES BASE AND COLLECTIONS
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Tax Rate</u>	<u>Total Current Earned Income Tax Collected</u>	<u>Refunds</u>	<u>Net Earned Income Tax Collected</u>
2022	0.8%	\$ 4,170,137	\$ -	\$ 4,170,137
2021	0.8%	3,909,743	-	3,909,743
2020	0.8%	3,422,092	-	3,422,092
2019	0.8%	3,732,512	-	3,732,512
2018	0.8%	3,542,694	-	3,542,694
2017	0.8%	3,497,630	-	3,497,630
2016	0.8%	3,232,330	-	3,232,330
2015	0.8%	3,305,399	-	3,305,399
2014	0.8%	3,490,231	11	3,490,220
2013	0.8%	3,124,531	4,042	3,120,489

Note: The above earned income tax rate and collection amounts represent the municipal share only (.8%). The Fox Chapel School District levies an earned income tax rate of .5% for a combined 1.3%. The above also reflects current collections only, not collections on delinquent amounts.

Sources: Keystone Collections Group and Jordan Tax Services
Township of O'Hara financial records

TOWNSHIP OF O'HARA, PENNSYLVANIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year Ended December 31	Real Property		Personal Property		Less: Tax Exempt Real Property	Total Taxable Assessed Value (2)	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Motor Vehicles	Other					
2013	\$ 808,549,538	\$ 601,785,698	(1)	(1)	\$ 199,716,100	\$ 1,210,619,136	2.200	\$ 1,210,619,136	100%
2014	809,978,471	586,040,906	(1)	(1)	198,501,200	1,197,518,177	1.725	1,197,518,177	100%
2015	815,746,021	586,589,706	(1)	(1)	195,198,500	1,207,137,227	1.725	1,207,137,227	100%
2016	825,896,071	576,521,737	(1)	(1)	201,099,400	1,201,318,408	1.725	1,201,318,408	100%
2017	836,971,581	586,621,037	(1)	(1)	200,965,100	1,222,627,518	1.725	1,222,627,518	100%
2018	848,266,191	634,487,047	(1)	(1)	239,331,800	1,243,421,438	1.725	1,243,421,438	100%
2019	859,107,191	632,862,749	(1)	(1)	237,534,800	1,254,435,140	1.725	1,254,435,140	100%
2020	878,271,641	638,179,364	(1)	(1)	244,906,700	1,271,544,305	1.900	1,271,544,305	100%
2021	879,033,391	637,668,664	(1)	(1)	244,923,300	1,271,778,755	2.100	1,271,778,755	100%
2022	888,492,708	646,136,364	(1)	(1)	245,055,300	1,289,573,772	2.100	1,289,573,772	100%

Source: Property Tax Records and Official Blotter.

(1) The Township does not impose a personal property tax.

(2) Assessed values of property are determined by the Allegheny County Assessment Office as of January 1 of each year.

TOWNSHIP OF O'HARA, PENNSYLVANIA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

Fiscal Year	Township Operating (5/6) Millage	Overlapping Rates						Total Direct & Overlapping Rates
		County			School District			
		Operating Millage	Debt Service Millage	Total County Millage	Operating Millage	Debt Service Millage	Total School Millage	
2013	1.725	3.82	0.91	4.73	18.4475	-	18.4475	24.9025
2014	1.725	3.92	0.81	4.73	18.6283	-	18.6283	25.0833
2015	1.725	3.96	0.77	4.73	18.6283	-	18.6283	25.0833
2016	1.725	3.96	0.77	4.73	18.9822	-	18.9822	25.4372
2017	1.725	3.96	0.77	4.73	18.9822	-	18.9822	25.4372
2018	1.725	3.96	0.77	4.73	19.5750	-	19.5750	26.0300
2019	1.900	3.96	0.77	4.73	19.5750	-	19.5750	26.2050
2020	2.100	3.96	0.77	4.73	19.8686	-	19.8686	26.6986
2021	2.100	3.96	0.77	4.73	20.1269	-	20.1269	26.9569
2022	2.100	3.96	0.77	4.73	20.1269	-	20.4288	27.2588

Source: Property Tax Records and Official Blotter.

Note 1: Overlapping rates are those of local and county governments that apply to property owners within the Township. Not all overlapping rates apply to all Township property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district).

(5) Per \$1,000 assessed value.

(6) All millage levied is for General Fund purposes.

**TOWNSHIP OF O'HARA, PENNSYLVANIA
PRINCIPAL PROPERTY TAXPAYERS
LAST TEN FISCAL YEARS**

	2022			2013		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Stag II O'Hara LLC	\$ 21,800,000	1	1.71%	\$ 24,973,300	1	0.21%
Aerotech	20,787,200	2	1.63%	8,439,300	9	0.07%
Yacht Club Communities	20,055,354	3	1.58%	18,159,200	3	0.15%
Westinghouse/Emerson Process Control	19,958,000	4	1.57%	20,556,700	2	0.17%
Regional Industrial Development Corp.	14,579,300	5	1.15%	15,607,200	5	0.13%
Mcknight Alpha Drive LP	13,050,000	6	1.03%	16,049,100	4	0.13%
Chapel Harbors ALF	12,355,900	7	0.97%	12,335,900	6	0.10%
Cook Myosite	11,188,000	8	0.88%	3,824,700	N/A	0.03%
Zoll Lifecor Corporation	10,500,000	9	0.83%	11,530,700	8	0.10%
Drew Limited	9,457,200	10	0.74%	7,887,700	N/A	0.07%
	<u>\$ 153,730,954</u>		<u>12.10%</u>	<u>\$ 139,363,800</u>		<u>1.15%</u>

Source: Property Tax Records and Official Blotter.

**TOWNSHIP OF O'HARA, PENNSYLVANIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31	Total Tax Levy (7) for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (7A)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$ 2,088,318	\$ 2,024,167	96.93	\$ -	\$ 2,024,167	96.93
2014	2,072,491	2,012,027	97.08	-	2,012,027	97.08
2015	2,068,593	2,028,935	98.08	-	2,028,935	98.08
2016	2,083,487	2,048,460	98.32	-	2,048,460	98.32
2017	2,118,029	2,046,310	96.61	-	2,046,310	96.61
2018	2,156,139	2,075,709	96.27	-	2,075,709	96.27
2019	2,392,738	2,303,567	96.27	-	2,303,567	96.27
2020	2,666,725	2,568,151	96.30	-	2,568,151	96.30
2021	2,694,658	2,590,811	96.15	-	2,590,811	96.15
2022	2,709,150	2,621,239	96.76	-	2,621,239	96.76

(7) Levy as of January 1.

(7A) Subsequent collection information is not available for the years 2012 through 2019.

TOWNSHIP OF O'HARA, PENNSYLVANIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Loan Payable	PennVest	General Obligation			
2013	\$ 2,003,000	\$ -	\$ 795,105	\$ 702,000	\$ 3,500,105	1.24%	416
2014	3,342,600	-	718,312	647,400	4,708,312	1.19%	560
2015	3,156,400	-	646,247	588,600	4,391,247	1.27%	522
2016	2,977,800	-	552,058	532,200	4,062,058	1.38%	483
2017	2,799,200	-	517,325	475,800	3,792,325	1.47%	451
2018 (1)	4,169,300	-	481,549	5,615,700	10,266,549	0.49%	1,221
2019	3,732,779	-	-	6,577,221	10,310,000	0.49%	1,226
2020	3,527,529	-	-	6,509,771	10,037,300	0.50%	1,194
2021	3,331,379	-	-	6,375,921	9,707,300	0.52%	1,155
2022	3,126,229	-	-	6,236,071	9,362,300	0.54%	1,114

Note: Details regarding the Township's outstanding debt can be found in the notes to the financial statements.

(1) Balances were restated as of December 31, 2018.

Source: Township Annual Audit and Financial Report and U.S. Census Bureau.

TOWNSHIP OF O'HARA, PENNSYLVANIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value (8) of Property	Net Per Capita (9)
2013	\$ 2,003,000	\$ -	\$ 2,003,000	0.23%	238
2014	3,990,000	-	3,990,000	0.46%	475
2015	3,745,000	-	3,745,000	0.31%	445
2016	3,510,000	-	3,510,000	0.39%	418
2017	3,275,000	-	3,275,000	0.35%	390
2018	9,785,000	-	9,785,000	1.03%	1,164
2019	10,310,000	-	10,310,000	1.09%	1,226
2020	10,037,300	-	10,037,300	1.17%	1,194
2021	9,707,300	-	9,707,300	1.14%	1,155
2022	9,362,300	-	9,362,300	1.10%	1,114

Source: Property Tax Records and Official Blotter and Township Annual Audit and Financial Report. Additional details regarding the Township's outstanding debt can be found in the notes to the financial statements.

Note: A county-wide reassessment was conducted to determine the 2013 assessed valuation.

(8) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(9) Population data can be found in the Schedule of Demographic and Economic Statistics.

TOWNSHIP OF O'HARA, PENNSYLVANIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2022

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Allegheny County	\$ 939,000,000	1.5%	\$ 14,085,000
Fox Chapel Area School District	<u>63,708,636</u>	36.8%	<u>23,444,778</u>
Subtotal, overlapping debt	<u>\$ 1,002,708,636</u>		37,529,778
Township direct debt			<u>3,126,229</u>
Total direct and overlapping debt			<u>\$ 40,656,007</u>

Sources: Township Annual Audit and Financial Report
Fox Chapel Area School District Administration
Allegheny County Controller's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Township. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Township. This process recognizes that when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for the repayment of the debt of each overlapping government.

TOWNSHIP OF O'HARA, PENNSYLVANIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit	\$ 23,679,769	\$ 33,950,784	\$ 35,793,140	\$ 36,291,989	\$ 32,601,961	\$ 40,219,274	\$ 42,571,720	\$ 44,010,271	\$ 39,944,131	\$ 42,463,656
Total net debt applicable to limit	<u>2,003,000</u>	<u>3,990,000</u>	<u>3,745,000</u>	<u>3,510,000</u>	<u>4,275,000</u>	<u>9,366,800</u>	<u>3,732,799</u>	<u>3,527,529</u>	<u>3,331,379</u>	<u>3,126,229</u>
Legal debt margin	<u>\$ 21,676,769</u>	<u>\$ 29,960,784</u>	<u>\$ 32,048,140</u>	<u>\$ 32,781,989</u>	<u>\$ 28,326,961</u>	<u>\$ 30,852,474</u>	<u>\$ 38,838,921</u>	<u>\$ 40,482,742</u>	<u>\$ 36,612,752</u>	<u>\$ 39,337,427</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	12%	10%	10%	13%	23%	9%	8%	8%	7%

Source: Township Annual Audit and Financial Report.

(10) Excludes self-liquidating debt.

Legal Debt Margin Calculation for Fiscal Year 2022

Total net revenues (2020-2022)	\$ 42,463,656
Three-year average	14,154,552
Multiplier:	250%
Total allowable non-electoral debt	35,386,380
Amount of debt applicable to debt limit Non-electoral general obligation bonds (10)	<u>3,126,229</u>
Total debt margin	<u>\$ 32,260,151</u>

TOWNSHIP OF O'HARA, PENNSYLVANIA
PLEGDED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Sewer Revenue Bonds					
	Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 1,915,884	\$ 1,860,308	\$ 55,576	\$ 134,877	\$ 43,009	0.31
2014	1,984,283	1,854,744	129,539	131,392	40,053	0.76
2015	2,239,961	2,276,428	(36,467)	138,419	36,498	(0.21)
2016	2,451,195	1,949,859	501,336	91,133	27,491	4.23
2017	2,711,883	2,433,874	278,009	91,133	27,490	2.34
2018	2,715,491	2,422,857	292,634	93,376	36,419	2.25
2019	3,012,014	2,778,813	233,201	481,549	13,858	0.47
2020	3,901,384	2,962,729	938,655	-	-	-
2021	3,269,075	3,455,590	(186,515)	-	-	-
2022	3,363,261	3,253,267	109,994	-	-	-

Note: Details regarding the Township's outstanding debt can be found in the notes to the financial statements. Sewer charges and other includes investment earnings. Operating expenses do not include interest or depreciation.

**TOWNSHIP OF O'HARA, PENNSYLVANIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (11)	Personal Income	Per Capita Personal Income (12)	Median Age (13)	Education Level in Years of Formal Schooling (14)	School Enrollment (14)	Unemployment Rate (12)
2013	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2014	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2015	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2016	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2017	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2018	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2019	8,407	42,365	50,165	47.9	(1)	2,094	3.0
2020	9,284	42,365	54,839	48.1	(1)	2,094	3.0
2021	9,284	42,365	54,839	48.1	(1)	2,094	3.0
2022	9,284	42,365	54,839	48.1	(1)	2,094	3.0

(11) U. S. Department of Commerce, Bureau of Census

(12) State Department of Labor

(13) State Department of Commerce

(14) School District

(1) Data is not available

TOWNSHIP OF O'HARA, PENNSYLVANIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
DECEMBER 31, 2022

	2022			2013		
	Employees	Rank	Percentage of Total Township Employment	Employees	Rank	Percentage of Total Township Employment
Veteran's Administration	1186	1	9.50%	1,033	2	9.55%
Giant Eagle	1060	2	8.49%	1,454	1	13.44%
Zoll Lifecor Corporation	551	3	4.41%	623	3	5.76%
Westinghouse/Emerson Process Management	433	4	3.47%	536	4	4.95%
Aerotech Inc	429	5	3.44%	307	7	2.84%
Zoll Manufacturing	409	6	3.28%	(1)	(1)	(1)
Trufood Mfg ²	382	8	3.06%	(1)	(1)	(1)
Fox Chapel Area School District	380	7	3.04%	408	5	3.77%
Armada Supply Chain Solutions	228	9	1.83%	(1)	(1)	(1)
Wesley Family Services	217	10	1.74%	(1)	(1)	(1)
	<u>5,275</u>		<u>42.26%</u>	<u>4,361</u>		<u>40.31%</u>

Source: Jordan Tax Service
(1) Data is not available

TOWNSHIP OF O'HARA, PENNSYLVANIA
FULL-TIME EQUIVALENT TOWNSHIP EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Function										
General government	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50	8.50
Public safety:										
Police:										
Officers	14.00	14.00	14.00	14.00	14.00	15.00	15.00	15.00	14.00	14.00
Civilians	0.90	0.90	0.90	0.90	0.40	0.40	0.40	0.40	0.40	0.40
Highways and streets:										
Engineering	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Maintenance	9.32	9.32	9.32	9.32	9.32	9.32	9.32	9.32	9.32	9.32
Sanitation	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04
Culture and recreation	1.78	1.78	1.78	1.78	1.78	1.78	1.78	1.00	1.00	1.00
Stormwater	0	0	0	0	0	0	0	0.78	0.78	0.78
Sewer	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70	1.70
Total	<u>37.5</u>	<u>37.5</u>	<u>37.5</u>	<u>37.5</u>	<u>37.0</u>	<u>38.0</u>	<u>38.0</u>	<u>38.0</u>	<u>37.0</u>	<u>37.0</u>

Source: Township Office

TOWNSHIP OF O'HARA, PENNSYLVANIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Physical arrests	157	168	175	179	185	173	191	173	189	203
Parking violations	49	63	58	60	57	63	72	85	78	85
Traffic violations	443	465	440	436	443	445	466	423	427	453
Fire:										
Number of calls answered	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Inspections	75	86	93	103	105	113	121	114	117	123
Highways and streets:										
Street resurfacing (miles)	3	4	2	3	3	3	2	1	1	2
Potholes repaired	26	23	20	24	27	23	27	23	32	45
Sanitation:										
Refuse collected (tons/day)	9.93	9.97	9.92	9.97	9.99	10.75	10.85	10.93	11.03	10.79
Recyclables collected (tons/day)	14.9	15.3	15.7	15.9	16.1	16.2	15.3	16.4	17.2	19.2
Culture and recreation:										
Athletic field permits issued	3	3	3	4	3	2	3	1	3	3
Wastewater:										
Average daily sewage treatment (thousand of gallons)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Total	756	812	791	809	823	822	882	820	847	914

Note: Indicators are not available for the general government function.

Source: Various government departments.

(1) The Township's sewage is treated by ALCOSAN, a third party treatment plant. The Township is not supplied with daily gallons treated, only quarterly totals.

(2) The Township receives fire service from two volunteer fire companies, the Township does not receive data on the number of calls per year.

TOWNSHIP OF O'HARA, PENNSYLVANIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public safety:										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	5	5	5	5	5	5	5	5	5	5
Fire stations (2)	3	3	3	3	3	3	3	3	3	3
Sanitation:										
Collection trucks	-	-	-	-	-	-	-	-	-	-
Highways and streets:										
Streets (miles)	40.24	40.24	41.24	41.24	41.24	41.24	41.24	41.24	41.24	41.24
Streetlights	397	397	397	397	397	397	397	397	397	397
Traffic signals	21	21	21	21	21	21	21	21	21	21
Culture and recreation:										
Parks acreage	187	187	187	187	187	187	187	187	187	187
Parks	18	18	18	18	18	18	18	18	18	18
Tennis courts	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	1
Sewer:										
Sanitary sewers (miles)	59.54	59.54	59.54	59.54	59.54	59.54	59.54	59.54	59.54	59.54
Storm sewer (miles)	62.30	62.30	62.30	62.30	62.30	62.30	62.30	62.30	62.30	62.30
Maximum daily treatment capacity (thousands of gallons)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

(1) The Township's wastewater is treated by the Allegheny County Sanitary Sewer Authority; therefore, the Township individually is not limited by a daily treatment capacity.

(2) The Township is serviced by two volunteer fire departments who each operate a station and one EMS station operated by a volunteer fire department.

Source: Various government departments.

Note: No capital asset indicators are available for the general government function.