

BOROUGH OF SEWICKLEY

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## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**BOROUGH OF SEWICKLEY**  
ALLEGHENY COUNTY, PENNSYLVANIA

FINANCIAL STATEMENTS

WITH REPORT BY  
CERTIFIED PUBLIC ACCOUNTANT

**FOR THE YEAR ENDED  
DECEMBER 31, 2019**

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**

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**ALLEGHENY COUNTY, PENNSYLVANIA**

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**Borough Council  
Borough of Sewickley**

## **Independent Auditor's Report**

### **Report on Financial Statements**

I have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Sewickley as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

## **Opinions**

In my 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 Borough of Sewickley, Allegheny County, Pennsylvania as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

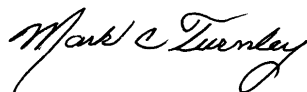
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages iv-xv and the additional required supplementary information on pages 58-65, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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***

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Borough of Sewickley's basic financial statements. The other supplementary information (Schedules 1 through 6) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

***Supplementary Information (Continued)***

The other supplementary information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records use to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The memorandum only prior year information for the year ended December 31, 2018 (Schedules 1-2) were audited by me, and I expressed an unmodified opinion on them in my report dated June 30, 2019, but I have not performed any auditing procedures since that date on these statements.



Mark C. Turnley, CPA

September 24, 2020  
New Brighton, Pennsylvania

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**INTRODUCTION**

This discussion and analysis of the Borough of Sewickley's financial performance provides an overall review of the Borough's financial activities for the year ended December 31, 2019. The intent of Management's Discussion and Analysis (MD&A) is to provide readers with an appreciation for the financial status of the Borough, the challenges faced and accomplishments achieved. The reader should also review the basic financial statements and notes to the basic financial statements to enhance their understanding of the Borough's financial performance.

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments. Certain comparative information between the current year and the prior year is required to be presented in the MD& A.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for 2019 are as follows:

- The Borough's governmental activities net position increased \$1,974,565 in 2019 to \$9,554,62. The Borough's business-type activities (Sewer Fund) net position increased \$734,793 in 2019 to \$3,439,165.
- Unrestricted net position for the Borough's governmental and business-type activities was \$3,829,417 and (\$455,874) respectively as of December 31, 2019.
- The Borough's combined governmental fund balance increased from \$2,387,205 at December 31, 2018 to \$3,683,483 at December 31, 2019 (54%).

**USING THE ANNUAL FINANCIAL REPORT**

The Annual Financial Report consists of the Management Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Borough of Sewickley as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.



**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**USING THE ANNUAL FINANCIAL REPORT (Continued)**

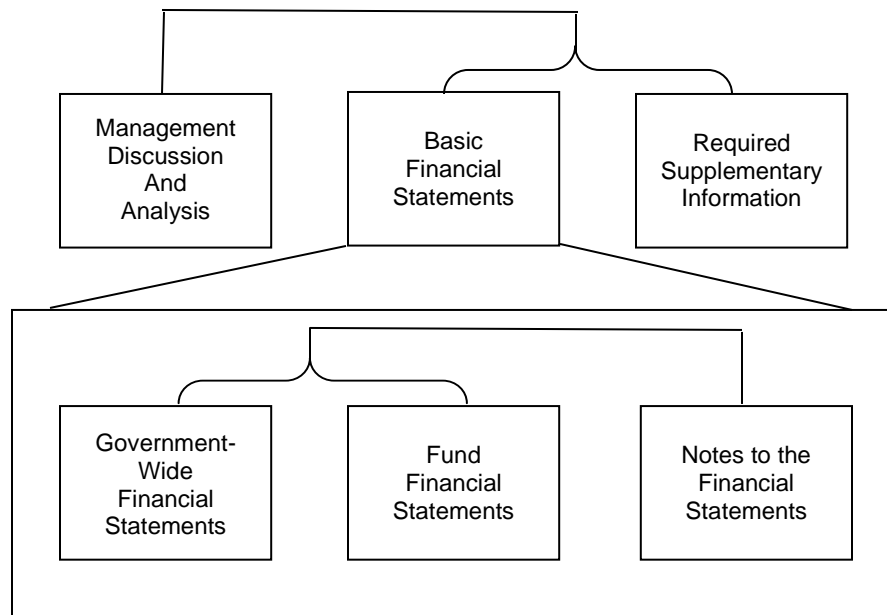
The first two statements are government-wide financial statements – the Statement of Net Position and the Statement of Activities. These provide both long-term and short-term information about the Borough's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the Borough's operations in more detail than the government-wide statements. The governmental funds statements tell how general Borough services were financed in the short term as well as what remains for future spending. Fiduciary fund statements provide information about financial relationships where the Borough acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong. The police pension and non-uniform pension funds comprise the Borough's fiduciary funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Figure A-1 shows how the required parts of the Financial Section are arranged and relate to one another:

**Figure A-1**  
**Required Components of**  
**Borough of Sewickley's Financial Report**



**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**USING THE ANNUAL FINANCIAL REPORT (continued)**

Figure A-2 summarizes the major features of the Borough’s financial statements, including the portion of the Borough they cover and the types of information they contain. The remainder of this overview section of management discussion and analysis explains the structure and contents of each of the statements.

**Figure A-2**  
**Major Features of the Borough of Sewickley**  
**Government-wide and Fund Financial Statements**

|                                               | <b>GOVERNMENT-WIDE STATEMENTS</b>                                                    | <b>FUND STATEMENTS</b>                                                                                                                                                                     |                                                                                                    |
|-----------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
|                                               |                                                                                      | <b>GOVERNMENTAL FUNDS</b>                                                                                                                                                                  | <b>FIDUCIARY FUNDS</b>                                                                             |
| <b>SCOPE</b>                                  | Entire Borough (except fiduciary funds)                                              | The activities of the Borough that are not proprietary or fiduciary, such as public safety, public works and general administration                                                        | Instances in which the Borough is the trustee or agent to someone else’s resources – Pension Funds |
| <b>REQUIRED FINANCIAL STATEMENTS</b>          | Statement of net position<br>Statement of activities                                 | Balance Sheet<br>Statement of revenues, expenditures, and changes in fund balance                                                                                                          | Statement of fiduciary net position<br>Statement of changes in fiduciary net position              |
| <b>ACCOUNTING BASIS AND MEASUREMENT FOCUS</b> | Accrual accounting and economic resources focus                                      | Modified accrual accounting and current financial resources focus                                                                                                                          | Accrual accounting and economic resources focus                                                    |
| <b>TYPE OF ASSET/LIABILITY INFORMATION</b>    | All assets and liabilities, both financial and capital, and short-term and long-term | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included                                                            | All assets and liabilities, both short-term and long-term                                          |
| <b>TYPE OF INFLOW-OUTFLOW INFORMATION</b>     | All revenues and expenses during year, regardless of when cash is received or paid   | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during year, regardless of when cash is received or paid                 |

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
DECEMBER 31, 2019

**OVERVIEW OF FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE STATEMENTS**

The government-wide statements report information about the Borough as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Borough's net position and how they have changed. Net position, the difference between the Borough's assets and liabilities, are one way to measure the Borough's financial health. Over time, increases or decreases in the Borough's net position is an indication of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the Borough, you need to consider additional non-financial factors, such as changes in the Borough's property tax base and the condition of the Borough's infrastructure (roads and sewers).

The government-wide financial statements of the Borough consist of the following category:

- Governmental activities – All of the Borough's basic services are included here, such as general administration, public safety and public works. Property and Act 511 taxes and state grants finance most of these activities.
- Business-type activities – The Borough operates a sewer fund and charges user fees to cover the costs of operating the sewer system and debt fees for the repayment of debt.

**FUND FINANCIAL STATEMENTS**

The Borough's fund financial statements, which begin on Page 3, provide detailed information about the most significant funds – not the Borough as a whole. The general and highway aid funds are required by state law.

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
DECEMBER 31, 2019

**OVERVIEW OF FINANCIAL STATEMENTS (Continued)**

**FUND FINANCIAL STATEMENTS (Continued)**

**Governmental Funds** – Most of the Borough’s activities are reported in governmental funds, which focus on the determination of financial position and change in financial position, not on income determination. They are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Borough’s operations and the services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Borough’s programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

**Fiduciary Funds** – The Borough is the trustee, or fiduciary, for the police and non-uniform pension funds. All of the Borough’s fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on Pages 11 and 12. We exclude these activities from the Borough’s other financial statements because the Borough cannot use these assets to finance its operations.

**Enterprise Funds** – The Borough operates a wastewater treatment facility.

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE**

The Borough has presented its financial statements using the reporting model required by Government Accounting Standards Board Statement No. 34 (GASB Statement #34), “Basic Financial Statements and Management’s Discussion and Analysis (MD&A) for State and Local Governments for several years. Comparative information from the prior year is shown as reflected below.

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE (Continued)**

The Borough's net position on December 31, 2019 and 2018 is presented below:

Table A-1

**Summary of Statement of Net Position**  
**Year Ended December 31, 2019 and 2018**

|                                                   | ----- DECEMBER 31, 2019 ----- |                             |                      | -MEMO-               |
|---------------------------------------------------|-------------------------------|-----------------------------|----------------------|----------------------|
|                                                   | GOVERNMENTAL<br>ACTIVITIES    | BUSINESS-TYPE<br>ACTIVITIES | 2019<br>TOTAL        | 2018<br>TOTAL        |
| Current Assets                                    | \$ 3,055,282                  | \$ 775,323                  | \$ 3,830,605         | \$ 2,751,323         |
| Non-Current Assets                                | 7,003,819                     | 13,924,744                  | 20,928,563           | 19,899,432           |
| Deferred Outflows                                 | 851,160                       | 359,999                     | 1,211,159            | 1,663,014            |
| <b>TOTAL ASSETS AND<br/>DEFERRED OUTFLOWS</b>     | <b>\$ 10,910,261</b>          | <b>\$ 15,060,066</b>        | <b>\$ 25,970,327</b> | <b>\$ 24,313,769</b> |
| Current Liabilities                               | \$ (862,571)                  | \$ 2,176,120                | \$ 1,313,549         | \$ 1,648,179         |
| Long-term Liabilities                             | 649,618                       | 9,340,425                   | 9,990,043            | 11,289,156           |
| Deferred Inflows                                  | 1,568,552                     | 104,356                     | 1,672,908            | 1,091,965            |
| <b>TOTAL LIABILITIES AND<br/>DEFERRED INFLOWS</b> | <b>\$ 1,355,599</b>           | <b>\$ 11,620,901</b>        | <b>\$ 12,976,500</b> | <b>\$ 14,029,300</b> |
| Net Investment in                                 |                               |                             |                      |                      |
| Capital Assets                                    | \$ 5,479,761                  | \$ 3,895,039                | \$ 9,374,800         | \$ 8,451,995         |
| Restricted - Highways/Streets                     | 245,484                       | -                           | 245,484              | 187,269              |
| Unrestricted (Deficit)                            | 3,829,417                     | (455,874)                   | 3,373,543            | 1,645,205            |
| <b>TOTAL NET POSITION</b>                         | <b>\$ 9,554,662</b>           | <b>\$ 3,439,165</b>         | <b>\$ 12,993,827</b> | <b>\$ 10,284,469</b> |

The increase in current assets is mainly the result of an increase in cash and cash equivalents of approximately \$1,133,846, basically attributable to excess revenues over expenditures in the General Fund and Capital Project Funds for calendar year 2019. Current liabilities decreased mainly as a result of certain 2018 road program costs totaling \$329,725 accrued as liabilities as of December 31, 2018, which did not occur again at the end of the 2019 calendar year. The change in noncurrent assets, long-term liabilities, and the net investment in capital assets represents the net changes in the Borough's net pension liability, combined with the Borough's continued pay down on its long-term debt obligations. The change in deferred outflows and deferred inflows is directly related to the updated actuarial valuation received by the Borough related to its pension plan obligations as of 12/31/2019.

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE (Continued)**

The results of this year's operations as a whole are reported in the Statement of Activities on Page 2. All expenses are reported in the first column. Specific charges, grants, revenues and subsidies that directly relate to specific expense categories are represented to determine the final amount of the Borough's activities that are supported by other general revenues. The largest general revenues are local taxes assessed to and derived from community taxpayers.

Table A-2 takes the information from the Statement of Activities, rearranges it slightly, so you can see our total revenues, expenses, and change to the net position for 2019 and 2018.

Table A-2  
Year ended December 31, 2019 and 2018  
Changes in Net Position

|                                       | <b>GOVERNMENTAL<br/>ACTIVITIES</b> | <b>BUSINESS-TYPE<br/>ACTIVITIES</b> | <b>2019<br/>TOTAL</b> | <b>2018<br/>TOTAL</b> |
|---------------------------------------|------------------------------------|-------------------------------------|-----------------------|-----------------------|
| <b>REVENUES</b>                       |                                    |                                     |                       |                       |
| <b>Program Revenues:</b>              |                                    |                                     |                       |                       |
| Charges for Services                  | \$ 1,153,618                       | \$ 2,165,721                        | \$ 3,319,339          | \$ 2,903,647          |
| Operating Grants and Contributions    | 460,528                            | -                                   | 460,528               | 294,386               |
| <b>General Revenues:</b>              |                                    |                                     |                       |                       |
| Property Taxes                        | 3,016,296                          | -                                   | 3,016,296             | 2,908,091             |
| Other Taxes                           | 1,933,290                          | -                                   | 1,933,290             | 2,018,603             |
| Cable Franchise Fees                  | 84,659                             | -                                   | 84,659                | 73,442                |
| Interest                              | 34,104                             | 3,752                               | 37,856                | 18,344                |
| Parking Authority Lease               | 120,000                            | -                                   | 120,000               | 50,000                |
| Miscellaneous                         | 277,104                            | 829                                 | 277,933               | 223,893               |
| <b>TOTAL REVENUES</b>                 | <b>\$ 7,079,599</b>                | <b>\$ 2,170,302</b>                 | <b>\$ 9,249,901</b>   | <b>\$ 8,490,406</b>   |
| <b>EXPENSES</b>                       |                                    |                                     |                       |                       |
| General Government                    | \$ 933,658                         | \$ -                                | \$ 933,658            | \$ 1,074,041          |
| Public Safety - Police                | 2,025,898                          | -                                   | 2,025,898             | 1,717,912             |
| Public Safety - Fire                  | 254,536                            | -                                   | 254,536               | 276,193               |
| Public Safety - Other                 | 118,884                            | -                                   | 118,884               | 106,191               |
| Public Works - Highways               | 1,472,966                          | -                                   | 1,472,966             | 1,859,994             |
| Culture and Recreation                | 228,581                            | -                                   | 228,581               | 274,657               |
| Interest on Debt/Refunds/Transfers    | 70,511                             | -                                   | 70,511                | 82,004                |
| Sewer Operations - Operating Expenses | -                                  | 1,435,509                           | 1,435,509             | 1,685,484             |
| <b>TOTAL EXPENSES</b>                 | <b>\$ 5,105,034</b>                | <b>\$ 1,435,509</b>                 | <b>\$ 6,540,543</b>   | <b>\$ 7,076,476</b>   |
| <b>CHANGE IN NET POSITION</b>         | <b>\$ 1,974,565</b>                | <b>\$ 734,793</b>                   | <b>\$ 2,709,358</b>   | <b>\$ 1,413,930</b>   |

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**FINANCIAL ANALYSIS OF THE BOROUGH AS A WHOLE (Continued)**

Total governmental activities revenues of \$7,079,599 were derived primarily from property taxes representing 42.6% of the total. Other taxes made up the next largest source of revenue of 27.3%, followed by charges for services at 16.3%.

Table A-3  
Year ended December 31, 2019 and 2018  
Governmental Activities

|                                                            | 2019                             |                                | 2018                             |                                |
|------------------------------------------------------------|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
|                                                            | <u>TOTAL COST<br/>OF SERVICE</u> | <u>NET COST<br/>OF SERVICE</u> | <u>TOTAL COST<br/>OF SERVICE</u> | <u>NET COST<br/>OF SERVICE</u> |
| <b>EXPENSES</b>                                            |                                  |                                |                                  |                                |
| General Government                                         | \$ 933,658                       | \$ 594,255                     | \$ 1,074,041                     | \$ 851,766                     |
| Public Safety - Police                                     | 2,025,898                        | 1,389,650                      | 1,717,912                        | 1,433,297                      |
| Public Safety - Fire                                       | 254,536                          | 81,932                         | 276,193                          | 106,516                        |
| Public Safety - Other                                      | 118,884                          | (18,771)                       | 106,191                          | 45,526                         |
| Public Works - Highways                                    | 1,472,966                        | 1,171,430                      | 1,859,994                        | 1,671,838                      |
| Culture and Recreation                                     | 228,581                          | 201,881                        | 274,657                          | 247,612                        |
| Debt Service/Refunds/Transfers                             | 70,511                           | 70,511                         | 82,004                           | 82,004                         |
| <b>TOTAL EXPENSES</b>                                      | <b>\$ 5,105,034</b>              | <b>\$ 3,490,888</b>            | <b>\$ 5,390,992</b>              | <b>\$ 4,438,559</b>            |
| <b>Less:</b>                                               |                                  |                                |                                  |                                |
| Unrestricted Grants, Subsidies                             |                                  | -                              |                                  | -                              |
| <b>TOTAL NEEDS FROM LOCAL TAXES<br/>AND OTHER REVENUES</b> |                                  | <b>\$ 3,490,888</b>            |                                  | <b>\$ 4,438,559</b>            |

Table A-4 reflects the activities of the Sewer Fund, the business-type activities of the Borough for the year 2019 and 2018.

Table A-4  
Year ended December 31, 2019 and 2018  
Business-Type Activities

|                                                  | 2019                             |                                | 2018                             |                                |
|--------------------------------------------------|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
|                                                  | <u>TOTAL COST<br/>OF SERVICE</u> | <u>NET COST<br/>OF SERVICE</u> | <u>TOTAL COST<br/>OF SERVICE</u> | <u>NET COST<br/>OF SERVICE</u> |
| <b>EXPENSES</b>                                  |                                  |                                |                                  |                                |
| Sewer Operations                                 | \$ 1,435,509                     | \$ (730,212)                   | \$ 1,685,484                     | \$ (560,116)                   |
| Interest/Miscellaneous                           |                                  | (4,581)                        |                                  | (2,113)                        |
| <b>TOTAL BUSINESS-TYPE ACTIVITIES NET INCOME</b> |                                  | <b>\$ (734,793)</b>            |                                  | <b>\$ (562,229)</b>            |

**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**THE BOROUGH FUNDS**

The following table compares the revenues, expenditures and change in fund balance of the Borough's General Fund for the years 2019 and 2018:

|                                                 | <u>2019</u>                | <u>2018</u>                |
|-------------------------------------------------|----------------------------|----------------------------|
| <b>REVENUES</b>                                 |                            |                            |
| Taxes                                           | \$ 3,651,834               | \$ 3,489,548               |
| Licenses and Permits                            | 87,334                     | 77,392                     |
| Fines and Forfeitures                           | 38,977                     | 40,864                     |
| Interest and Rents                              | 221,234                    | 67,660                     |
| Intergovernmental                               | 185,819                    | 172,330                    |
| Charges for Services                            | 899,540                    | 483,949                    |
| Miscellaneous                                   | 201,309                    | 219,482                    |
| <b>TOTAL REVENUES</b>                           | <b><u>\$ 5,286,047</u></b> | <b><u>\$ 4,551,225</u></b> |
| <b>EXPENSES</b>                                 |                            |                            |
| General Government                              | \$ 939,020                 | \$ 993,886                 |
| Public Safety                                   | 2,382,109                  | 1,930,210                  |
| Public Works                                    | 1,106,964                  | 1,094,320                  |
| Culture and Recreation                          | 146,188                    | 189,351                    |
| Debt Service                                    | 138,124                    | 121,723                    |
| <b>TOTAL EXPENSES</b>                           | <b><u>\$ 4,712,405</u></b> | <b><u>\$ 4,329,490</u></b> |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                            |                            |
| Operating Transfers In                          | \$ 74,035                  | \$ 74,284                  |
| Sale of Fixed Assets                            | 875                        | -                          |
| Refund of Prior Years Receipts/Expenses         | (22,008)                   | (51,611)                   |
| Operating Transfers Out                         | (1,079)                    | (84,275)                   |
| <b>TOTAL OTHER FINANCING SOURCES AND (USES)</b> | <b><u>\$ 51,823</u></b>    | <b><u>\$ (61,602)</u></b>  |
| <b>NET CHANGE IN FUND BALANCE</b>               | <b><u>\$ 625,465</u></b>   | <b><u>\$ 160,133</u></b>   |

The increase in charges for services noted above is the result of the Borough establishing an agreement to provide police services to Valley Medical. Taxes also increased mainly in the area of business privilege collections, increasing approximately \$100,000 from prior calendar year.

**GENERAL FUND BUDGET**

In November of 2018, the Borough of Sewickley adopted its annual budget for the General Fund in the amount of \$4,949,200. A schedule showing the Borough's original and final budget amounts compared with amounts actually paid and received is provided in summary form on Page 7, and more detailed in Schedules 1 and 2 on pages 45-53 of the report.



**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**PROPRIETARY FUND (SEWER FUND)**

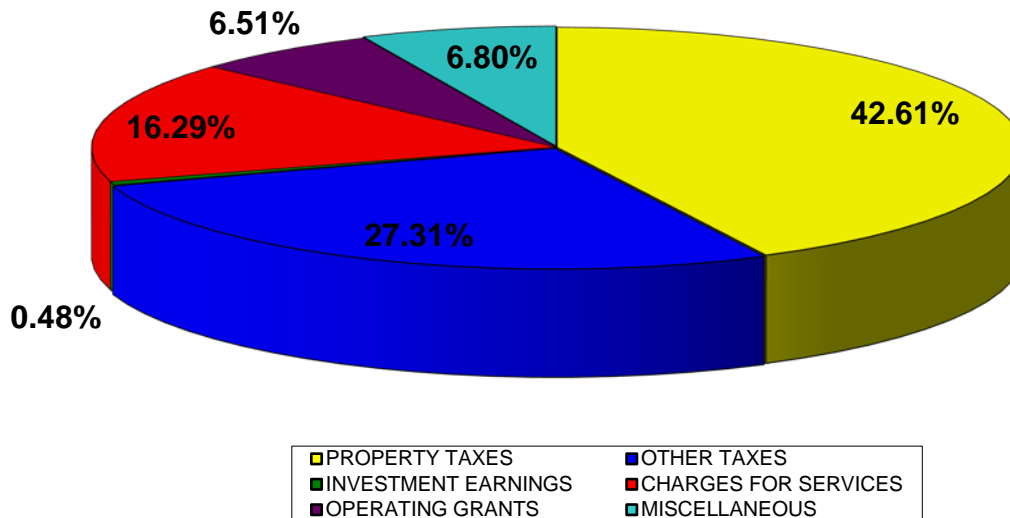
The following table compares the revenues, expenses and change in net position of the Borough's Proprietary Fund for the year 2019 and 2018:

|                                  | SEWER FUND          |                   |
|----------------------------------|---------------------|-------------------|
|                                  | 2019                | 2018              |
| Operating Revenues               | \$ 2,165,721        | \$ 2,245,600      |
| Operating Expenses               | (1,109,041)         | (1,326,264)       |
| <b>OPERATING INCOME (LOSS)</b>   | <b>\$ 1,056,680</b> | <b>\$ 919,336</b> |
| Nonoperating Revenues (Expenses) | \$ (321,887)        | \$ (357,107)      |
| <b>CHANGE IN NET POSITION</b>    | <b>\$ 734,793</b>   | <b>\$ 562,229</b> |

**PROGRAM REVENUE**

The following chart graphically depicts the government-wide program revenues for the fiscal year ended December 31, 2019.

**SOURCE OF REVENUES**  
**TOTAL REVENUES: \$7,079,599**



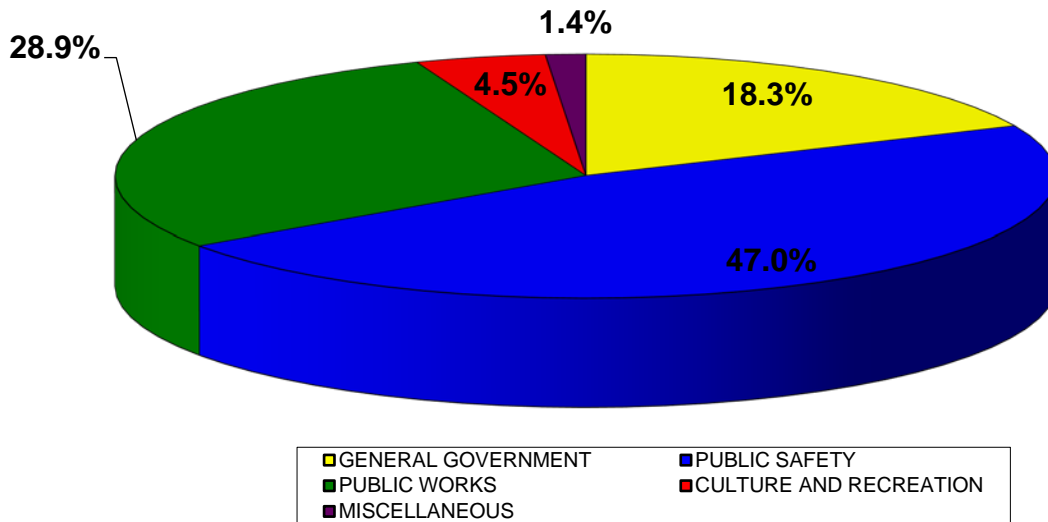
**BOROUGH OF SEWICKLEY  
ALLEGHENY COUNTY, PENNSYLVANIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
REQUIRED SUPPLEMENTARY INFORMATION (RSI)  
DECEMBER 31, 2019**

**PROGRAM EXPENSE**

Total expenses for all governmental activities in 2019 were \$5,105,034. The expenses reflect the delivery of a wide range of services, with the two largest areas being public safety at 47.0% and public works at 28.9%. General government expenses were 18.3% of total expenses.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2019.

**PROGRAM EXPENSES**  
**TOTAL EXPENSES: \$5,105,034**



**BOROUGH OF SEWICKLEY**  
**ALLEGHENY COUNTY, PENNSYLVANIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31, 2019**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At December 31, 2019, the Borough had \$19,783,566 invested in capital assets, including land, infrastructure, buildings, machinery and equipment and vehicles net of depreciation. This amount represents a net decrease (including additions, deletions and depreciation) of \$64,750 from last year. The Borough had approximately \$833,488 in capital additions during the 2019 year which is comprised mainly of additions to the Borough's infrastructure of \$307,446 and \$57,331 for traffic signal and culvert replacement respectively, police equipment and vehicle of \$162,901 and construction in progress to improve Grove Street Sewers of \$267,754.

**Long Term Debt**

On December 31, 2019, the Borough had \$10,628,341 of long-term debt outstanding. This represents a decrease of 8.6% from December 31, 2018.

**Pension Trust Fund**

The Borough of Sewickley has two pension plans – general employees and police. On December 31, 2019, the assets of the plans were \$11,913,422. An actuarial valuation of both plans determined that the net pension (asset)/obligation for the police and general employee pension plans was (\$714,995) and (\$430,002) respectively as of December 31, 2019.

**Contacting the Borough**

This financial report is designed to provide our residents, taxpayers, customers, investors and creditors with a general overview of the Borough's finances and to demonstrate the Borough's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact:

Marla Marcinko, Borough Manager  
Borough of Sewickley  
601 Thorn Street  
Sewickley, PA 15143

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

**EXHIBIT A**

|                                                                           | <b>Governmental<br/>Activities</b> | <b>Business-Type<br/>Activities</b> | <b>Total</b>         |
|---------------------------------------------------------------------------|------------------------------------|-------------------------------------|----------------------|
| <b>ASSETS</b>                                                             |                                    |                                     |                      |
| <b>Current Assets:</b>                                                    |                                    |                                     |                      |
| Cash and Cash Equivalents                                                 | \$ 2,483,725                       | \$ 478,583                          | \$ 2,962,308         |
| Investments                                                               | 224                                | -                                   | 224                  |
| Taxes Receivable (Net)                                                    | 444,143                            | -                                   | 444,143              |
| Due from other Governments                                                | 36,635                             | -                                   | 36,635               |
| Sewer Receivable                                                          | -                                  | 286,071                             | 286,071              |
| Other Accounts Receivable                                                 | 62,620                             | 10,669                              | 73,289               |
| Prepaid Expenses                                                          | 27,935                             | -                                   | 27,935               |
| <b>Total Current Assets</b>                                               | <b>\$ 3,055,282</b>                | <b>\$ 775,323</b>                   | <b>\$ 3,830,605</b>  |
| <b>Noncurrent Assets:</b>                                                 |                                    |                                     |                      |
| Land                                                                      | \$ 1,237,904                       | \$ -                                | \$ 1,237,904         |
| Infrastructure (net)                                                      | 2,376,108                          | -                                   | 2,376,108            |
| Site Improvements (net)                                                   | 890,731                            | -                                   | 890,731              |
| Buildings and Improvement (net)                                           | 365,237                            | 1,608,383                           | 1,973,620            |
| Vehicles and Equipment (net)                                              | 787,036                            | 481,959                             | 1,268,995            |
| Storm Sewers (net)                                                        | -                                  | 5,678,060                           | 5,678,060            |
| Headworks Dewatering Project                                              | -                                  | 5,503,426                           | 5,503,426            |
| Boundary Street Pump Station                                              | -                                  | 586,968                             | 586,968              |
| Construction in Progress                                                  | 267,754                            | -                                   | 267,754              |
| Net Pension Asset                                                         | 1,079,049                          | 65,948                              | 1,144,997            |
| <b>Total Noncurrent Assets</b>                                            | <b>\$ 7,003,819</b>                | <b>\$ 13,924,744</b>                | <b>\$ 20,928,563</b> |
| <b>TOTAL ASSETS</b>                                                       | <b>\$ 10,059,101</b>               | <b>\$ 14,700,067</b>                | <b>\$ 24,759,168</b> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                                     |                                    |                                     |                      |
| Deferred Interest on Refunding                                            | \$ -                               | \$ 302,431                          | \$ 302,431           |
| Deferred Outflows Related to Pensions                                     | 851,160                            | 57,568                              | 908,728              |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>                               | <b>\$ 851,160</b>                  | <b>\$ 359,999</b>                   | <b>\$ 1,211,159</b>  |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>                    | <b>\$ 10,910,261</b>               | <b>\$ 15,060,066</b>                | <b>\$ 25,970,327</b> |
| <b>LIABILITIES</b>                                                        |                                    |                                     |                      |
| <b>Current Liabilities:</b>                                               |                                    |                                     |                      |
| Accounts Payable                                                          | \$ 91,435                          | \$ 34,008                           | \$ 125,443           |
| Payroll Payable                                                           | 100,724                            | 7,806                               | 108,530              |
| Payroll Withholdings                                                      | 6,623                              | -                                   | 6,623                |
| Internal Balances                                                         | (1,185,572)                        | 1,185,572                           | -                    |
| Due to Other Governmental Units                                           | -                                  | 7,067                               | 7,067                |
| Current Portion Long-Term Debt                                            | 124,219                            | 941,667                             | 1,065,886            |
| <b>Total Current Liabilities</b>                                          | <b>\$ (862,571)</b>                | <b>\$ 2,176,120</b>                 | <b>\$ 1,313,549</b>  |
| <b>Noncurrent Liabilities:</b>                                            |                                    |                                     |                      |
| Bonds Payable - Long Term Portion (Net)                                   | \$ -                               | \$ 8,157,856                        | \$ 8,157,856         |
| Notes Payable - Long Term Portion                                         | 309,767                            | 1,166,665                           | 1,476,432            |
| Lease Purchase Obligations Payable - Long Term Portion                    | 11,023                             | -                                   | 11,023               |
| Accrued Compensated Absences                                              | 328,828                            | 15,904                              | 344,732              |
| <b>Total Noncurrent Liabilities</b>                                       | <b>\$ 649,618</b>                  | <b>\$ 9,340,425</b>                 | <b>\$ 9,990,043</b>  |
| <b>TOTAL LIABILITIES</b>                                                  | <b>\$ (212,953)</b>                | <b>\$ 11,516,545</b>                | <b>\$ 11,303,592</b> |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                      |                                    |                                     |                      |
| Deferred Inflows Related to Pensions                                      | \$ 1,568,302                       | \$ 104,356                          | \$ 1,672,658         |
| Unearned Revenue                                                          | 250                                | -                                   | 250                  |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                | <b>\$ 1,568,552</b>                | <b>\$ 104,356</b>                   | <b>\$ 1,672,908</b>  |
| <b>NET POSITION</b>                                                       |                                    |                                     |                      |
| Net Investment in Capital Assets                                          | \$ 5,479,761                       | \$ 3,895,039                        | \$ 9,374,800         |
| Restricted for Highways and Streets                                       | 245,484                            | -                                   | 245,484              |
| Unrestricted (Deficit)                                                    | 3,829,417                          | (455,874)                           | 3,373,543            |
| <b>TOTAL NET POSITION</b>                                                 | <b>\$ 9,554,662</b>                | <b>\$ 3,439,165</b>                 | <b>\$ 12,993,827</b> |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b> | <b>\$ 10,910,261</b>               | <b>\$ 15,060,066</b>                | <b>\$ 25,970,327</b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**EXHIBIT B**

| <u>Functions/Programs</u>                         | <u>Expenses</u>            | <u>Program Revenues</u>         |                                                   |                                                 | <u>Net (Expense) Revenue and<br/>Changes in Net Position</u> |                                     |                              |
|---------------------------------------------------|----------------------------|---------------------------------|---------------------------------------------------|-------------------------------------------------|--------------------------------------------------------------|-------------------------------------|------------------------------|
|                                                   |                            | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> | <u>Governmental<br/>Activities</u>                           | <u>Business-Type<br/>Activities</u> | <u>Total</u>                 |
| <b>Governmental Activities:</b>                   |                            |                                 |                                                   |                                                 |                                                              |                                     |                              |
| General Government                                | \$ 933,658                 | \$ 190,909                      | \$ 148,494                                        | \$ -                                            | \$ (594,255)                                                 |                                     | \$ (594,255)                 |
| Public Safety - Police                            | 2,025,898                  | 636,248                         | -                                                 | -                                               | (1,389,650)                                                  |                                     | (1,389,650)                  |
| Public Safety - Fire                              | 254,536                    | 142,534                         | 30,070                                            | -                                               | (81,932)                                                     |                                     | (81,932)                     |
| Public Safety - Other                             | 118,884                    | 137,655                         | -                                                 | -                                               | 18,771                                                       |                                     | 18,771                       |
| Public Works - Highways                           | 1,472,966                  | 19,572                          | 281,964                                           | -                                               | (1,171,430)                                                  |                                     | (1,171,430)                  |
| Culture and Recreation                            | 228,581                    | 26,700                          | -                                                 | -                                               | (201,881)                                                    |                                     | (201,881)                    |
| Debt Service/Refunds                              | 70,511                     | -                               | -                                                 | -                                               | (70,511)                                                     |                                     | (70,511)                     |
| <b>Total Governmental Activities</b>              | <b><u>\$ 5,105,034</u></b> | <b><u>\$ 1,153,618</u></b>      | <b><u>\$ 460,528</u></b>                          | <b><u>\$ -</u></b>                              | <b><u>\$ (3,490,888)</u></b>                                 |                                     | <b><u>\$ (3,490,888)</u></b> |
| <b>Business-Type activities:</b>                  |                            |                                 |                                                   |                                                 |                                                              |                                     |                              |
| Sewer                                             | \$ 1,435,509               | \$ 2,165,721                    | \$ -                                              | \$ -                                            |                                                              | \$ 730,212                          | \$ 730,212                   |
| <b>Total Business-Type Activities</b>             | <b><u>\$ 1,435,509</u></b> | <b><u>\$ 2,165,721</u></b>      | <b><u>\$ -</u></b>                                | <b><u>\$ -</u></b>                              |                                                              | <b><u>\$ 730,212</u></b>            | <b><u>\$ 730,212</u></b>     |
| <b>Total Primary Government</b>                   | <b><u>\$ 6,540,543</u></b> | <b><u>\$ 3,319,339</u></b>      | <b><u>\$ 460,528</u></b>                          | <b><u>\$ -</u></b>                              | <b><u>\$ (3,490,888)</u></b>                                 | <b><u>\$ 730,212</u></b>            | <b><u>\$ (2,760,676)</u></b> |
| <b>General Revenues:</b>                          |                            |                                 |                                                   |                                                 |                                                              |                                     |                              |
| Taxes:                                            |                            |                                 |                                                   |                                                 |                                                              |                                     |                              |
| Property Taxes, Levied for General Purposes (net) |                            |                                 |                                                   |                                                 | \$ 3,016,296                                                 | \$ -                                | \$ 3,016,296                 |
| Act 511 Taxes                                     |                            |                                 |                                                   |                                                 | 1,804,532                                                    | -                                   | 1,804,532                    |
| Sales Tax                                         |                            |                                 |                                                   |                                                 | 122,345                                                      | -                                   | 122,345                      |
| P.U.R.T.A                                         |                            |                                 |                                                   |                                                 | 4,413                                                        | -                                   | 4,413                        |
| Cable Franchise Fees                              |                            |                                 |                                                   |                                                 | 84,659                                                       | -                                   | 84,659                       |
| Alcohol Beverage tax                              |                            |                                 |                                                   |                                                 | 2,000                                                        | -                                   | 2,000                        |
| Investment Earnings                               |                            |                                 |                                                   |                                                 | 34,104                                                       | 3,752                               | 37,856                       |
| Parking Authority Lease                           |                            |                                 |                                                   |                                                 | 120,000                                                      | -                                   | 120,000                      |
| Sale of Fixed Assets                              |                            |                                 |                                                   |                                                 | 10,875                                                       | -                                   | 10,875                       |
| Miscellaneous                                     |                            |                                 |                                                   |                                                 | 266,229                                                      | 829                                 | 267,058                      |
| <b>Total General Revenues</b>                     |                            |                                 |                                                   |                                                 | <b><u>\$ 5,465,453</u></b>                                   | <b><u>\$ 4,581</u></b>              | <b><u>\$ 5,470,034</u></b>   |
| <b>Change in Net Position</b>                     |                            |                                 |                                                   |                                                 | <b><u>\$ 1,974,565</u></b>                                   | <b><u>\$ 734,793</u></b>            | <b><u>\$ 2,709,358</u></b>   |
| Net Position — January 1, 2019                    |                            |                                 |                                                   |                                                 | 7,580,097                                                    | 2,704,372                           | 10,284,469                   |
| <b>Net Position — December 31, 2019</b>           |                            |                                 |                                                   |                                                 | <b><u>\$ 9,554,662</u></b>                                   | <b><u>\$ 3,439,165</u></b>          | <b><u>\$ 12,993,827</u></b>  |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

**EXHIBIT C**

|                                                                                | <b>GENERAL<br/>FUND</b> | <b>CAPITAL<br/>PROJECT<br/>FUNDS</b> | <b>NON-MAJOR<br/>GOVERNMENTAL<br/>FUNDS</b> | <b>TOTAL<br/>GOVERNMENTAL<br/>FUNDS</b> |
|--------------------------------------------------------------------------------|-------------------------|--------------------------------------|---------------------------------------------|-----------------------------------------|
| <b>ASSETS:</b>                                                                 |                         |                                      |                                             |                                         |
| Cash and Cash Equivalents                                                      | \$ 683,556              | \$ 1,441,478                         | \$ 358,691                                  | \$ 2,483,725                            |
| Investments                                                                    | 224                     | -                                    | -                                           | 224                                     |
| Taxes Receivable (Net)                                                         | 415,868                 | 28,275                               | -                                           | 444,143                                 |
| Due from Other Governmental Units                                              | 36,635                  | -                                    | -                                           | 36,635                                  |
| Due from Other Funds                                                           | 895,133                 | 1,258,081                            | 909,629                                     | 3,062,843                               |
| Other Accounts Receivable                                                      | 62,620                  | -                                    | -                                           | 62,620                                  |
| Prepaid Expenses                                                               | 27,935                  | -                                    | -                                           | 27,935                                  |
| <b>TOTAL ASSETS</b>                                                            | <b>\$ 2,121,971</b>     | <b>\$ 2,727,834</b>                  | <b>\$ 1,268,320</b>                         | <b>\$ 6,118,125</b>                     |
| <br><b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>       |                         |                                      |                                             |                                         |
| <b>LIABILITIES:</b>                                                            |                         |                                      |                                             |                                         |
| Accounts Payable                                                               | \$ 73,716               | \$ 17,719                            | \$ -                                        | \$ 91,435                               |
| Payroll Payable                                                                | 100,724                 | -                                    | -                                           | 100,724                                 |
| Payroll Withholdings                                                           | 6,623                   | -                                    | -                                           | 6,623                                   |
| Due To Other Funds                                                             | 779,035                 | 75,400                               | 1,022,836                                   | 1,877,271                               |
| <b>TOTAL LIABILITIES</b>                                                       | <b>\$ 960,098</b>       | <b>\$ 93,119</b>                     | <b>\$ 1,022,836</b>                         | <b>\$ 2,076,053</b>                     |
| <br><b>DEFERRED INFLOWS OF RESOURCES:</b>                                      |                         |                                      |                                             |                                         |
| Delinquent Real Estate Taxes                                                   | \$ 358,339              | \$ -                                 | \$ -                                        | \$ 358,339                              |
| Unearned Revenue                                                               | 250                     | -                                    | -                                           | 250                                     |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>                                     | <b>\$ 358,589</b>       | <b>\$ -</b>                          | <b>\$ -</b>                                 | <b>\$ 358,589</b>                       |
| <br><b>FUND BALANCES:</b>                                                      |                         |                                      |                                             |                                         |
| <b>Nonspendable</b>                                                            | \$ 27,935               | \$ -                                 | \$ -                                        | \$ 27,935                               |
| <b>Restricted:</b>                                                             |                         |                                      |                                             |                                         |
| Highway Aid Fund                                                               | -                       | -                                    | 245,484                                     | 245,484                                 |
| <b>Assigned:</b>                                                               |                         |                                      |                                             |                                         |
| General Fund                                                                   | 419,165                 | -                                    | -                                           | 419,165                                 |
| Road Construction and Maintenance Fund                                         | -                       | 858,215                              | -                                           | 858,215                                 |
| Building Fund                                                                  | -                       | 5,676                                | -                                           | 5,676                                   |
| Fire Fund                                                                      | -                       | 929,932                              | -                                           | 929,932                                 |
| Capital Improvement Fund                                                       | -                       | 840,892                              | -                                           | 840,892                                 |
| <b>Unassigned</b>                                                              | 356,184                 | -                                    | -                                           | 356,184                                 |
| <b>TOTAL FUND BALANCES</b>                                                     | <b>\$ 803,284</b>       | <b>\$ 2,634,715</b>                  | <b>\$ 245,484</b>                           | <b>\$ 3,683,483</b>                     |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES, AND FUND BALANCES</b> | <b>\$ 2,121,971</b>     | <b>\$ 2,727,834</b>                  | <b>\$ 1,268,320</b>                         | <b>\$ 6,118,125</b>                     |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

**Total Fund Balances - Governmental Funds** \$ 3,683,483

Amounts reported for governmental activities in the statement of net position (Exhibit A) are different from amounts reported for governmental funds on the balance sheet (Exhibit C) because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. The cost of assets is \$12,585,581, and the accumulated depreciation is \$6,660,811. 5,924,770

Property taxes receivable in the statement of net position, which will not be available soon enough to pay for the current period's expenditures (i.e., within 90 days of year-end), are deferred and not recognized as revenue in governmental funds. 358,339

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions 851,160

Deferred inflows of resources related to pensions (1,568,302)

Long term liabilities are not due and payable in the current period, and therefore, are not reported as liabilities in the governmental funds.

Long-term liabilities at year end consist of:

|                      |             |         |
|----------------------|-------------|---------|
| Notes payable        | \$ 409,020  |         |
| Leases payable       | 35,989      |         |
| Net pension asset    | (1,079,049) |         |
| Compensated absences | 328,828     |         |
|                      |             | 305,212 |

**TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES** **\$ 9,554,662**

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                              | <u>GENERAL FUND</u> | <u>CAPITAL<br/>PROJECT<br/>FUNDS</u> | <u>NON-MAJOR<br/>GOVERNMENTAL<br/>FUNDS</u> | <u>TOTAL<br/>GOVERNMENTAL<br/>FUNDS</u> |
|--------------------------------------------------------------|---------------------|--------------------------------------|---------------------------------------------|-----------------------------------------|
| <b><u>REVENUES</u></b>                                       |                     |                                      |                                             |                                         |
| Taxes                                                        | \$ 3,651,834        | \$ 1,342,814                         | \$ -                                        | \$ 4,994,648                            |
| Licenses and Permits                                         | 87,334              | -                                    | -                                           | 87,334                                  |
| Fines and Forfeitures                                        | 38,977              | -                                    | -                                           | 38,977                                  |
| Interest and Rents                                           | 221,234             | 27,829                               | 4,851                                       | 253,914                                 |
| Intergovernmental                                            | 185,819             | 153,723                              | 127,399                                     | 466,941                                 |
| Contributions and Donations                                  | 1,939               | 101,460                              | -                                           | 103,399                                 |
| Charges for Services                                         | 899,540             | 62,617                               | -                                           | 962,157                                 |
| Miscellaneous                                                | 199,370             | -                                    | -                                           | 199,370                                 |
| <b>Total Revenue</b>                                         | <b>\$ 5,286,047</b> | <b>\$ 1,688,443</b>                  | <b>\$ 132,250</b>                           | <b>\$ 7,106,740</b>                     |
| <b><u>EXPENDITURES</u></b>                                   |                     |                                      |                                             |                                         |
| General Government                                           | \$ 939,020          | \$ 53,907                            | \$ -                                        | \$ 992,927                              |
| Public Safety                                                | 2,382,109           | 118,702                              | -                                           | 2,500,811                               |
| Public Works                                                 | 1,106,964           | 789,091                              | -                                           | 1,896,055                               |
| Culture and Recreation                                       | 146,188             | 107,347                              | -                                           | 253,535                                 |
| Debt Service                                                 | 138,124             | 27,207                               | -                                           | 165,331                                 |
| <b>Total Expenditures</b>                                    | <b>\$ 4,712,405</b> | <b>\$ 1,096,254</b>                  | <b>\$ -</b>                                 | <b>\$ 5,808,659</b>                     |
| <b>Excess ( Deficiency) of Revenue<br/>over Expenditures</b> | <b>\$ 573,642</b>   | <b>\$ 592,189</b>                    | <b>\$ 132,250</b>                           | <b>\$ 1,298,081</b>                     |
| <b><u>OTHER FINANCING SOURCES (USES)</u></b>                 |                     |                                      |                                             |                                         |
| Operating Transfers In                                       | \$ 74,035           | \$ 1,079                             | \$ -                                        | \$ 75,114                               |
| Operating Transfers Out                                      | (1,079)             | -                                    | (74,035)                                    | (75,114)                                |
| Sale of Fixed Assets                                         | 875                 | 10,000                               | -                                           | 10,875                                  |
| Refund Prior Year Expenditures                               | 4,130               | 9,330                                | -                                           | 13,460                                  |
| Refund Prior Year Revenues                                   | (26,138)            | -                                    | -                                           | (26,138)                                |
| <b>Total Other Financing Sources (Uses)</b>                  | <b>\$ 51,823</b>    | <b>\$ 20,409</b>                     | <b>\$ (74,035)</b>                          | <b>\$ (1,803)</b>                       |
| <b>NET CHANGE IN FUND BALANCES</b>                           | <b>\$ 625,465</b>   | <b>\$ 612,598</b>                    | <b>\$ 58,215</b>                            | <b>\$ 1,296,278</b>                     |
| FUND BALANCE - JANUARY 1, 2019                               | 177,819             | 2,022,117                            | 187,269                                     | 2,387,205                               |
| <b>FUND BALANCE - DECEMBER 31, 2019</b>                      | <b>\$ 803,284</b>   | <b>\$ 2,634,715</b>                  | <b>\$ 245,484</b>                           | <b>\$ 3,683,483</b>                     |

The accompanying notes are an integral part of these financial statements



**BOROUGH OF SEWICKLEY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS** \$ 1,296,278

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$833,488) exceeds depreciation expenses (\$462,243). 371,245

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense. 275,527

Proceeds from debt issues are an other financing source in the funds, but a debt issue increases long-term liabilities in the statement of net position. (33,160)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 120,958

Because certain property and wage taxes will not be collected for several months after the Borough's year ends, they are not considered as "available" revenues in the governmental funds. Deferred inflow of resources increased during the calendar year 2019. (51,475)

In the statement of activities, certain operating expenses - compensated absences - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid). This is the amount by which compensated absences earned exceeded the amount paid. (4,808)

**CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES** **\$ 1,974,565**

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES, BUDGET AND ACTUAL**  
**GOVERNMENTAL FUNDS - GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                               | Budgeted Amounts    |                     | Actual              | Variance with                          |
|---------------------------------------------------------------|---------------------|---------------------|---------------------|----------------------------------------|
|                                                               | Original            | Final               | (Budgetary Basis)   | Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                               |                     |                     |                     |                                        |
| Taxes                                                         | \$ 3,472,550        | \$ 3,472,550        | \$ 3,651,834        | \$ 179,284                             |
| Licenses and Permits                                          | 87,200              | 87,200              | 87,334              | 134                                    |
| Fines and Forfeitures                                         | 45,000              | 45,000              | 38,977              | (6,023)                                |
| Interest and Rents                                            | 20,000              | 20,000              | 221,234             | 201,234                                |
| Intergovernmental                                             | 186,550             | 186,550             | 185,819             | (731)                                  |
| Charges for Services                                          | 871,900             | 871,900             | 899,540             | 27,640                                 |
| Miscellaneous                                                 | 71,000              | 71,000              | 201,309             | 130,309                                |
| <b>Total Revenues</b>                                         | <b>\$ 4,754,200</b> | <b>\$ 4,754,200</b> | <b>\$ 5,286,047</b> | <b>\$ 531,847</b>                      |
| <b>EXPENDITURES</b>                                           |                     |                     |                     |                                        |
| General Government                                            | \$ 1,013,886        | \$ 1,013,886        | \$ 939,020          | \$ 74,866                              |
| Public Safety                                                 | 2,378,357           | 2,378,357           | 2,382,109           | (3,752)                                |
| Public Works                                                  | 1,249,966           | 1,249,966           | 1,106,964           | 143,002                                |
| Culture and Recreation                                        | 174,840             | 174,840             | 146,188             | 28,652                                 |
| Debt Service                                                  | 120,751             | 120,751             | 138,124             | (17,373)                               |
| <b>Total Expenditures</b>                                     | <b>\$ 4,937,800</b> | <b>\$ 4,937,800</b> | <b>\$ 4,712,405</b> | <b>\$ 225,395</b>                      |
| <b>Excess ( Deficiency) of Revenues<br/>over Expenditures</b> | <b>\$ (183,600)</b> | <b>\$ (183,600)</b> | <b>\$ 573,642</b>   | <b>\$ 757,242</b>                      |
| <b>OTHER FINANCING SOURCES (USES)</b>                         |                     |                     |                     |                                        |
| Operating Transfers In                                        | \$ 75,000           | \$ 75,000           | \$ 74,035           | \$ (965)                               |
| Operating Transfers Out                                       | -                   | -                   | (1,079)             | (1,079)                                |
| Sale of Fixed Assets                                          | -                   | -                   | 875                 | 875                                    |
| Refund of Prior Year Expenditures                             | -                   | -                   | 4,130               | 4,130                                  |
| Refund of Prior Year Revenues                                 | (11,400)            | (11,400)            | (26,138)            | (14,738)                               |
| <b>Total Other Financing Sources (Uses)</b>                   | <b>\$ 63,600</b>    | <b>\$ 63,600</b>    | <b>\$ 51,823</b>    | <b>\$ (11,777)</b>                     |
| <b>NET CHANGE IN FUND BALANCES</b>                            | <b>\$ (120,000)</b> | <b>\$ (120,000)</b> | <b>\$ 625,465</b>   | <b>\$ 745,465</b>                      |
| FUND BALANCE - JANUARY 1, 2019                                | 120,000             | 120,000             | 177,819             | 57,819                                 |
| <b>FUND BALANCE - DECEMBER 31, 2019</b>                       | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 803,284</b>   | <b>\$ 803,284</b>                      |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUND - SEWER FUND**  
**DECEMBER 31, 2019**

**ASSETS****Current Assets:**

|                             |                          |
|-----------------------------|--------------------------|
| Cash and Cash Equivalents   | \$ 478,583               |
| Sewer Receivable            | 286,071                  |
| Due from Other Funds        | 15,980                   |
| Other Accounts Receivable   | 10,669                   |
| <b>Total Current Assets</b> | <b><u>\$ 791,303</u></b> |

**Noncurrent Assets:**

|                                |                             |
|--------------------------------|-----------------------------|
| Buildings                      | \$ 3,718,740                |
| Equipment                      | 2,239,641                   |
| Storm Sewers                   | 6,434,453                   |
| Headworks Dewatering Project   | 6,253,893                   |
| Boundary Street Pump Station   | 667,009                     |
| Vehicles                       | 163,499                     |
| Accumulated Depreciation       | (5,618,439)                 |
| Net Pension - Asset            | 65,948                      |
| <b>Total Noncurrent Assets</b> | <b><u>\$ 13,924,744</u></b> |
| <b>TOTAL ASSETS</b>            | <b><u>\$ 14,716,047</u></b> |

**DEFERRED OUTFLOWS OF RESOURCES**

|                                                        |                             |
|--------------------------------------------------------|-----------------------------|
| Deferred Interest on Refunding                         | \$ 302,431                  |
| Deferred Outflows Related to Pensions                  | 57,568                      |
| <b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>            | <b><u>\$ 359,999</u></b>    |
| <b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b> | <b><u>\$ 15,076,046</u></b> |

**LIABILITIES****Current Liabilities:**

|                                  |                            |
|----------------------------------|----------------------------|
| Accounts Payable                 | \$ 34,008                  |
| Payroll Payable                  | 7,806                      |
| Due to Other Governmental Units  | 7,067                      |
| Due to Other Funds               | 1,201,552                  |
| Current Portion Long-Term Debt   | 941,667                    |
| <b>Total Current Liabilities</b> | <b><u>\$ 2,192,100</u></b> |

**Noncurrent Liabilities:**

|                                         |                             |
|-----------------------------------------|-----------------------------|
| Bonds Payable - Long term portion (Net) | \$ 8,157,856                |
| Notes Payable - Long term portion       | 1,166,665                   |
| Compensated Absences                    | 15,904                      |
| <b>Total Noncurrent Liabilities</b>     | <b><u>\$ 9,340,425</u></b>  |
| <b>TOTAL LIABILITIES</b>                | <b><u>\$ 11,532,525</u></b> |

**DEFERRED INFLOWS OF RESOURCES**

|                                            |                          |
|--------------------------------------------|--------------------------|
| Deferred Inflows Related to Pensions       | \$ 104,356               |
| <b>TOTAL DEFERRED INFLOWS OF RESOURCES</b> | <b><u>\$ 104,356</u></b> |

**NET POSITION**

|                                                                               |                             |
|-------------------------------------------------------------------------------|-----------------------------|
| Net Investment in Capital Assets                                              | \$ 3,895,039                |
| Unrestricted (Deficit)                                                        | (455,874)                   |
| <b>TOTAL NET POSITION</b>                                                     | <b><u>\$ 3,439,165</u></b>  |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES,<br/>AND NET POSITION</b> | <b><u>\$ 15,076,046</u></b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND - SEWER FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**OPERATING REVENUES:**

|                                 |           |                         |
|---------------------------------|-----------|-------------------------|
| Sewer Rentals                   | \$        | 2,133,726               |
| Miscellaneous                   |           | 31,995                  |
| <b>Total Operating Revenues</b> | <b>\$</b> | <b><u>2,165,721</u></b> |

**OPERATING EXPENSES:**

|                                             |           |                         |
|---------------------------------------------|-----------|-------------------------|
| Salaries and Wages                          | \$        | 128,596                 |
| Employee Benefits                           |           | 22,395                  |
| Materials and Supplies                      |           | 19,241                  |
| Chemicals                                   |           | 36,895                  |
| Collection Fees - Sewickley Water Authority |           | 42,405                  |
| Vehicle                                     |           | 1,821                   |
| Engineering                                 |           | 48,457                  |
| Insurance                                   |           | 82,682                  |
| Utilities                                   |           | 120,847                 |
| Uniforms                                    |           | 2,615                   |
| Repair and Maintenance                      |           | 77,905                  |
| Contracted Services                         |           | 52,776                  |
| Sludge Disposal                             |           | 11,356                  |
| Sewer Rehab.                                |           | 17,463                  |
| Depreciation                                |           | 435,995                 |
| Miscellaneous                               |           | 7,592                   |
| <b>Total Operating Expenses</b>             | <b>\$</b> | <b><u>1,109,041</u></b> |

**TOTAL OPERATING INCOME <LOSS>** **\$** **1,056,680**

**NON-OPERATING REVENUE <EXPENSE>:**

|                                                    |           |                         |
|----------------------------------------------------|-----------|-------------------------|
| Interest Income                                    | \$        | 3,752                   |
| Interest Expense                                   |           | (326,371)               |
| Refund Prior Year Revenues                         |           | (97)                    |
| Refund Prior Year Expenses                         |           | 829                     |
| <b>TOTAL NON-OPERATING REVENUE &lt;EXPENSE&gt;</b> | <b>\$</b> | <b><u>(321,887)</u></b> |

|                                         |           |                         |
|-----------------------------------------|-----------|-------------------------|
| <b>CHANGES IN NET POSITION</b>          | <b>\$</b> | <b>734,793</b>          |
| NET POSITION - JANUARY 1, 2019          |           | <u>2,704,372</u>        |
| <b>NET POSITION - DECEMBER 31, 2019</b> | <b>\$</b> | <b><u>3,439,165</u></b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND - SEWER FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

|                                                         |                            |
|---------------------------------------------------------|----------------------------|
| Cash received from user charges                         | \$ 2,208,309               |
| Cash paid to employees for wages and benefits           | (220,482)                  |
| Cash paid to vendors for goods and services             | (506,762)                  |
| <b>Net cash provided (used) by operating activities</b> | <b><u>\$ 1,481,065</u></b> |

**CASH FLOWS FROM CAPITAL AND RELATED  
FINANCIAL ACTIVITIES:**

|                                                                             |                              |
|-----------------------------------------------------------------------------|------------------------------|
| Bond and note principal payments                                            | \$ (916,667)                 |
| Interest Paid on Debt Obligations                                           | (309,463)                    |
| Net Refund Prior Year Revenues (Expenses)                                   | 732                          |
| <b>Net cash provided (used) by capital and related financing activities</b> | <b><u>\$ (1,225,398)</u></b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|                                                         |                        |
|---------------------------------------------------------|------------------------|
| Interest Income                                         | \$ 3,752               |
| <b>Net cash provided (used) by investing activities</b> | <b><u>\$ 3,752</u></b> |

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS****\$ 259,419****CASH AND CASH EQUIVALENTS - January 1, 2019**219,164**CASH AND CASH EQUIVALENTS - December 31, 2019****\$ 478,583****RECONCILIATION OF OPERATING INCOME (LOSS) TO NET  
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:**

|                                                                                                           |                            |
|-----------------------------------------------------------------------------------------------------------|----------------------------|
| Operating Income (Loss)                                                                                   | \$ 1,056,680               |
| Adjustments to reconcile excess revenues over expenditures<br>provided by (used in) operating activities: |                            |
| Depreciation                                                                                              | 435,995                    |
| Accrual of GASB 68 Pension Expense                                                                        | (50,093)                   |
| Changes in assets and liabilities:                                                                        |                            |
| (Increase) decrease in sewer receivables                                                                  | (314)                      |
| (Increase) decrease in other receivables                                                                  | 42,902                     |
| Increase (decrease) in accounts payable                                                                   | (25,372)                   |
| Increase (decrease) in due to other governments                                                           | 206                        |
| Increase (decrease) in due to other funds                                                                 | 40,459                     |
| Increase (decrease) in payroll payable                                                                    | (6,697)                    |
| Increase (decrease) in compensated absences                                                               | (12,701)                   |
| <b>Net cash provided (used) by operating activities</b>                                                   | <b><u>\$ 1,481,065</u></b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**DECEMBER 31, 2019**

|                                           | <b>POLICE<br/>PENSION<br/>FUND</b> | <b>NON-UNIFORM<br/>PENSION<br/>FUND</b> |
|-------------------------------------------|------------------------------------|-----------------------------------------|
|                                           | <u>                    </u>        | <u>                    </u>             |
| <b>ASSETS</b>                             |                                    |                                         |
| Cash and Cash Equivalents                 | \$ 805,529                         | \$ 793,234                              |
| Investments:                              |                                    |                                         |
| Corporate/Municipal Obligations           | 1,934,159                          | 1,596,953                               |
| Equity Securities                         | 3,671,204                          | 3,084,367                               |
| Accrued Interest                          | 14,947                             | 13,029                                  |
| <b>TOTAL ASSETS</b>                       | <b><u>\$ 6,425,839</u></b>         | <b><u>\$ 5,487,583</u></b>              |
| <br><b>LIABILITIES AND NET POSITION</b>   |                                    |                                         |
| <b>LIABILITIES</b>                        |                                    |                                         |
| Other Current Liabilities                 | \$ -                               | \$ -                                    |
| <b>TOTAL LIABILITIES</b>                  | <b><u>\$ -</u></b>                 | <b><u>\$ -</u></b>                      |
| <br><b>NET POSITION</b>                   |                                    |                                         |
| Restricted for Pension Benefits           | \$ 6,425,839                       | \$ 5,487,583                            |
| <b>TOTAL NET POSITION</b>                 | <b><u>\$ 6,425,839</u></b>         | <b><u>\$ 5,487,583</u></b>              |
| <b>TOTAL LIABILITIES AND NET POSITION</b> | <b><u>\$ 6,425,839</u></b>         | <b><u>\$ 5,487,583</u></b>              |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                         | <b>POLICE<br/>PENSION<br/>FUND</b> | <b>NON-UNIFORM<br/>PENSION<br/>FUND</b> |
|-----------------------------------------|------------------------------------|-----------------------------------------|
| <b>ADDITIONS</b>                        |                                    |                                         |
| Interest/Dividends                      | \$ 133,217                         | \$ 112,322                              |
| Realized Gains/(Losses)                 | 114,583                            | 85,600                                  |
| Unrealized Depreciation                 | 854,164                            | 710,573                                 |
| Employer Contributions                  | 98,794                             | 196,904                                 |
| <b>TOTAL ADDITIONS</b>                  | <b>\$ 1,200,758</b>                | <b>\$ 1,105,399</b>                     |
| <b>DEDUCTIONS</b>                       |                                    |                                         |
| Benefit Payments                        | \$ 190,070                         | \$ 164,174                              |
| Administrative Expenses                 | 33,009                             | 29,774                                  |
| <b>TOTAL DEDUCTIONS</b>                 | <b>\$ 223,079</b>                  | <b>\$ 193,948</b>                       |
| <b>CHANGES IN NET POSITION</b>          | <b>\$ 977,679</b>                  | <b>\$ 911,451</b>                       |
| <b>NET POSITION - JANUARY 1, 2019</b>   | <b>5,448,160</b>                   | <b>4,576,132</b>                        |
| <b>NET POSITION - DECEMBER 31, 2019</b> | <b>\$ 6,425,839</b>                | <b>\$ 5,487,583</b>                     |

The accompanying notes are an integral part of these financial statements

**SUPPLEMENTARY  
INFORMATION**



**BOROUGH OF SEWICKLEY**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL REVENUES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                   | <u>BUDGET</u>       | <u>ACTUAL</u>       | <u>(MEMORANDUM ONLY)</u><br><u>PRIOR YEAR</u> |
|---------------------------------------------------|---------------------|---------------------|-----------------------------------------------|
| <b><u>TAXES:</u></b>                              |                     |                     |                                               |
| Real estate - current                             | \$ 1,718,550        | \$ 1,707,767        | \$ 1,672,994                                  |
| Real estate - current (Sub Year's Budget Account) | -                   | 213,316             | 205,849                                       |
| Real estate - prior                               | 25,000              | 28,934              | 22,896                                        |
| Real estate - delinquent                          | 150,000             | 165,097             | 170,708                                       |
| Per capita tax                                    | 9,500               | 9,406               | 9,362                                         |
| Earned income tax                                 | 1,210,000           | 1,095,570           | 1,072,483                                     |
| Business privilege tax                            | 227,500             | 309,399             | 212,025                                       |
| Act 77 revenues                                   | 126,000             | 122,345             | 122,571                                       |
| Penalties & interest on delinquent taxes          | 6,000               | -                   | 659                                           |
| <b>TOTAL TAXES</b>                                | <b>\$ 3,472,550</b> | <b>\$ 3,651,834</b> | <b>\$ 3,489,548</b>                           |
| <b><u>LICENSES AND PERMITS:</u></b>               |                     |                     |                                               |
| Amusement licenses                                | \$ 2,500            | \$ 1,500            | \$ 1,750                                      |
| Cable franchise license                           | 82,000              | 84,659              | 73,442                                        |
| Tree expert License                               | 200                 | 225                 | 200                                           |
| Solicitation Permits                              | -                   | 200                 | -                                             |
| Street permits                                    | 2,500               | 750                 | 2,000                                         |
| <b>TOTAL LICENSES AND PERMITS</b>                 | <b>\$ 87,200</b>    | <b>\$ 87,334</b>    | <b>\$ 77,392</b>                              |
| <b><u>FINES AND FORFEITURES:</u></b>              |                     |                     |                                               |
| Motor vehicle code violations                     | \$ 20,000           | \$ 17,252           | \$ 15,819                                     |
| Parking violations                                | 15,000              | 15,207              | 17,312                                        |
| Non-Traffic Citations                             | 10,000              | 6,518               | 7,733                                         |
| <b>TOTAL FINES AND FORFEITURES</b>                | <b>\$ 45,000</b>    | <b>\$ 38,977</b>    | <b>\$ 40,864</b>                              |
| <b><u>INTEREST AND RENTS:</u></b>                 |                     |                     |                                               |
| Interest                                          | \$ -                | \$ 1,424            | \$ 993                                        |
| Rents                                             | 20,000              | 49,810              | 16,668                                        |
| Parking Authority                                 | -                   | 170,000             | 50,000                                        |
| <b>TOTAL INTEREST AND RENTS</b>                   | <b>\$ 20,000</b>    | <b>\$ 221,234</b>   | <b>\$ 67,660</b>                              |
| <b><u>INTERGOVERNMENTAL:</u></b>                  |                     |                     |                                               |
| PURTA                                             | \$ 4,800            | \$ 4,413            | \$ -                                          |
| Liquor licenses                                   | 2,400               | 2,000               | 2,400                                         |
| Municipal pension state aid                       | 150,000             | 148,494             | 140,532                                       |
| Foreign fire insurance                            | 27,150              | 30,070              | 27,143                                        |
| Act 13 gas                                        | 2,200               | 842                 | 2,256                                         |
| <b>TOTAL INTERGOVERNMENTAL</b>                    | <b>\$ 186,550</b>   | <b>\$ 185,819</b>   | <b>\$ 172,330</b>                             |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL REVENUES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                     | <b>BUDGET</b>     | <b>ACTUAL</b>     | <b>(MEMORANDUM ONLY)<br/>PRIOR YEAR</b> |
|-------------------------------------|-------------------|-------------------|-----------------------------------------|
| <b><u>CHARGES FOR SERVICES:</u></b> |                   |                   |                                         |
| Osborne admin services              | \$ 72,000         | \$ 61,731         | \$ 58,378                               |
| Zoning permits                      | 1,500             | 500               | 550                                     |
| Engineering review                  | 500               | -                 | -                                       |
| Zoning hearing fees                 | 5,000             | 5,550             | 6,050                                   |
| Sale of Ordinances                  | -                 | 50                | -                                       |
| No lien letter                      | 4,800             | 3,500             | 5,215                                   |
| Street banner permits               | 8,000             | 500               | 7,265                                   |
| Sale of recycling bins              | 750               | 675               | 743                                     |
| Sale of Accident/Police Reports     | -                 | 1,935             | -                                       |
| Special police services             | 145,000           | 136,250           | 243,559                                 |
| Parking Auth Reimbursements         | -                 | 25,618            | 1,482                                   |
| Valley Medical Police Services      | 455,520           | 459,087           | -                                       |
| Fire protection services-Haysville  | 3,630             | 4,314             | 4,314                                   |
| Fire protection services-Osborne    | 21,000            | 25,603            | 25,603                                  |
| Fire equipment replacement fund     | 3,200             | -                 | -                                       |
| Building permits                    | 100,000           | 129,805           | 52,115                                  |
| Occupancy permits                   | 1,000             | 300               | 200                                     |
| Parking permits                     | -                 | -                 | 192                                     |
| Salt Reimbursement                  | -                 | -                 | 34,703                                  |
| Special public works services       | 2,000             | -                 | -                                       |
| Road project                        | 8,000             | -                 | -                                       |
| Park shelter fees                   | 20,000            | 23,025            | 24,150                                  |
| Tree fund-license/permits/donations | 2,500             | 3,450             | 2,695                                   |
| QVSD Gas                            | 7,500             | 9,463             | 6,721                                   |
| BSWA Gas                            | 10,000            | 8,184             | 10,014                                  |
| <b>TOTAL CHARGES FOR SERVICES</b>   | <b>\$ 871,900</b> | <b>\$ 899,540</b> | <b>\$ 483,949</b>                       |
| <b><u>MISCELLANEOUS:</u></b>        |                   |                   |                                         |
| Miscellaneous revenue               | \$ 33,000         | \$ 8,897          | \$ 59,277                               |
| Contributions and Donations         | -                 | 1,939             | 7,000                                   |
| MRM Dividends                       | -                 | 90,148            | 82,701                                  |
| Health insurance reimbursements     | 38,000            | 40,487            | 35,479                                  |
| Workmen's compensation              | -                 | 37,720            | 35,026                                  |
| Insurance Claims                    | -                 | 22,118            | -                                       |
| <b>TOTAL MISCELLANEOUS</b>          | <b>\$ 71,000</b>  | <b>\$ 201,309</b> | <b>\$ 219,482</b>                       |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL REVENUES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                       | <u>BUDGET</u>              | <u>ACTUAL</u>              | <u>(MEMORANDUM ONLY)</u><br><u>PRIOR YEAR</u> |
|-------------------------------------------------------|----------------------------|----------------------------|-----------------------------------------------|
| <b><u>OTHER FINANCIAL SOURCES:</u></b>                |                            |                            |                                               |
| Transfer from Liquid Fuels                            | \$ 75,000                  | \$ 74,035                  | \$ 74,284                                     |
| Refund of prior year expenses                         | -                          | 4,130                      | -                                             |
| Sale of Fixed Assets                                  | -                          | 875                        | -                                             |
| <b>TOTAL OTHER FINANCIAL SOURCES</b>                  | <b><u>\$ 75,000</u></b>    | <b><u>\$ 79,040</u></b>    | <b><u>\$ 74,284</u></b>                       |
| <br>                                                  |                            |                            |                                               |
| <b>TOTAL REVENUES AND<br/>OTHER FINANCING SOURCES</b> | <b><u>\$ 4,829,200</u></b> | <b><u>\$ 5,365,087</u></b> | <b><u>\$ 4,625,510</u></b>                    |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY  
 DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                    | <b>BUDGET</b>     | <b>ACTUAL</b>     | <b>(MEMORANDUM ONLY)<br/>PRIOR YEAR</b> |
|------------------------------------|-------------------|-------------------|-----------------------------------------|
| <b>GENERAL GOVERNMENT:</b>         |                   |                   |                                         |
| <b>LEGISLATIVE BODY:</b>           |                   |                   |                                         |
| Materials and supplies             | \$ -              | \$ 385            | \$ -                                    |
| Postage                            | 2,100             | 4,320             | 1,486                                   |
| Equipment lease                    | 10,000            | 4,825             | 5,556                                   |
| Advertising                        | 14,000            | 10,990            | 15,988                                  |
| Property and liability insurance   | 38,000            | 21,363            | 22,160                                  |
| Dues/subscriptions and memberships | 10,500            | 5,423             | 9,885                                   |
| Meetings and conferences           | 5,500             | 765               | 394                                     |
| Contingencies                      | 102,398           | 25,078            | 34,036                                  |
| Center contribution                | 15,000            | 15,000            | 15,000                                  |
| Salary - manager                   | 109,949           | 112,475           | 147,189                                 |
| Salary - Assistant Manager         | -                 | 38,000            | -                                       |
| Salary - borough secretary         | 14,500            | -                 | 6,626                                   |
| Salaries - staff                   | 202,398           | 192,846           | 199,485                                 |
| Life/accident insurance            | 3,500             | 3,851             | 4,791                                   |
| Dental insurance                   | 3,831             | 3,274             | 3,784                                   |
| Long term disability insurance     | 3,110             | 1,767             | 2,207                                   |
| Vision care                        | 636               | 626               | 432                                     |
| Medical                            | 60,862            | 55,197            | 37,620                                  |
| Health savings account             | 10,500            | 10,500            | 7,500                                   |
| Pension                            | 48,847            | 39,815            | 58,248                                  |
| Social security(FICA)              | 24,345            | 25,220            | 28,722                                  |
| Unemployment compensation          | 1,950             | 1,799             | 1,273                                   |
| Workmans comp                      | 9,900             | 1,627             | 8,878                                   |
| Admin overtime                     | 10,000            | 18,450            | 23,874                                  |
| Materials and supplies             | 8,500             | 6,274             | 5,685                                   |
| Other expense                      | 8,000             | 4,379             | 4,413                                   |
| Telephone                          | 8,400             | 6,154             | 7,655                                   |
| Auto allowance manager             | 2,500             | -                 | 433                                     |
| Payroll Bank Fees                  | -                 | 148               | -                                       |
| Contracted services                | -                 | 4,165             | -                                       |
| Auditing services                  | 7,000             | 8,300             | 5,500                                   |
| Special Audit Service              | -                 | 5,000             | -                                       |
| Website                            | 13,000            | 11,645            | 14,419                                  |
| PEG channel                        | -                 | -                 | 1,248                                   |
| <b>TOTAL LEGISLATIVE BODY</b>      | <b>\$ 749,226</b> | <b>\$ 639,660</b> | <b>\$ 674,485</b>                       |

The accompanying notes are intergral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

| <b>GENERAL GOVERNMENT: (continued)</b>      | <b>BUDGET</b>       | <b>ACTUAL</b>     | <b>(MEMORANDUM ONLY)<br/>PRIOR YEAR</b> |
|---------------------------------------------|---------------------|-------------------|-----------------------------------------|
| <b><u>TAX COLLECTION:</u></b>               |                     |                   |                                         |
| Salary                                      | \$ 2,400            | \$ 2,400          | \$ 2,600                                |
| Social Security(FICA)                       | 250                 | 184               | 199                                     |
| Unemployment insurance                      | 600                 | 512               | 424                                     |
| Workers compensation                        | 700                 | 542               | 574                                     |
| Other expense                               | 18,000              | 28,206            | 33,828                                  |
| LST collection fees                         | 3,800               | 3,155             | 3,076                                   |
| Business privilege collection fees          | 3,700               | 5,715             | 3,582                                   |
| Telephone                                   | 360                 | 429               | 345                                     |
| <b>TOTAL TAX COLLECTION</b>                 | <b>\$ 29,810</b>    | <b>\$ 41,143</b>  | <b>\$ 44,629</b>                        |
| <b><u>LEGAL:</u></b>                        |                     |                   |                                         |
| Solicitor retainer                          | \$ 8,400            | \$ 8,400          | \$ 8,400                                |
| Other legal services                        | 60,000              | 78,022            | 64,004                                  |
| Additional legal service                    | 7,500               | 7,996             | 5,313                                   |
| <b>TOTAL LEGAL</b>                          | <b>\$ 75,900</b>    | <b>\$ 94,418</b>  | <b>\$ 77,717</b>                        |
| <b><u>INFORMATION TECHNOLOGY:</u></b>       |                     |                   |                                         |
| Computer maintenance                        | \$ 25,000           | \$ 31,647         | \$ 42,240                               |
| Computer services                           | 8,000               | 224               | 2,151                                   |
| Information Technology                      | -                   | 1,502             | -                                       |
| <b>TOTAL IT</b>                             | <b>\$ 33,000</b>    | <b>\$ 33,373</b>  | <b>\$ 44,391</b>                        |
| <b><u>ENGINEER:</u></b>                     |                     |                   |                                         |
| Other Engineering                           | \$ 15,000           | \$ 20,458         | \$ 30,609                               |
| <b>TOTAL ENGINEER</b>                       | <b>\$ 15,000</b>    | <b>\$ 20,458</b>  | <b>\$ 30,609</b>                        |
| <b><u>MUNICIPAL BUILDING AND PLANT:</u></b> |                     |                   |                                         |
| Salary staff                                | 25,000              | 23,175            | 29,385                                  |
| Social Security(FICA)                       | 2,300               | 1,776             | 2,293                                   |
| Unemployment insurance                      | -                   | 69                | -                                       |
| Workers compensation                        | 650                 | 1,355             | 849                                     |
| Overtime                                    | 800                 | 45                | 585                                     |
| Materials and supplies                      | 6,000               | 3,291             | 4,462                                   |
| Other expenses                              | 700                 | -                 | 58                                      |
| Property and liability insurance            | 8,000               | 7,780             | 7,780                                   |
| Electricity                                 | 26,000              | 25,450            | 24,474                                  |
| Gas                                         | 14,500              | 10,803            | 10,303                                  |
| Repairs and maintenance                     | 27,000              | 36,224            | 41,868                                  |
| <b>TOTAL MUNICIPAL BUILDING AND PLANT</b>   | <b>\$ 110,950</b>   | <b>\$ 109,968</b> | <b>\$ 122,056</b>                       |
| <b>TOTAL GENERAL GOVERNMENT</b>             | <b>\$ 1,013,886</b> | <b>\$ 939,020</b> | <b>\$ 993,886</b>                       |

The accompanying notes are intergral part of these financial statements

**BOROUGH OF SEWICKLEY  
 DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                     | <b>BUDGET</b>       | <b>ACTUAL</b>       | <b>(MEMORANDUM ONLY)<br/>PRIOR YEAR</b> |
|-------------------------------------|---------------------|---------------------|-----------------------------------------|
| <b><u>PUBLIC SAFETY:</u></b>        |                     |                     |                                         |
| <b><u>POLICE PROTECTION:</u></b>    |                     |                     |                                         |
| Salary - chief                      | \$ 114,288          | \$ 119,325          | \$ 116,266                              |
| Salary - sargeants                  | 296,208             | 195,742             | 116,420                                 |
| Salary - full time patrolmen        | 582,406             | 600,704             | 531,238                                 |
| Salary - part time patrolmen        | 135,000             | 229,875             | 152,060                                 |
| Salary - meter patrol               | -                   | 21,602              | -                                       |
| Life/accident insurance             | 15,257              | 17,059              | 13,896                                  |
| Dental insurance                    | 12,683              | 10,712              | 8,697                                   |
| Long term disability insurance      | 4,092               | 4,051               | 3,587                                   |
| Vision care                         | 1,749               | 1,227               | 980                                     |
| Medical                             | 195,157             | 179,821             | 129,731                                 |
| Supplemental retirement             | 2,400               | 2,400               | 2,400                                   |
| Health savings account              | 30,000              | 28,500              | 22,125                                  |
| Pension                             | 98,794              | 98,794              | 82,241                                  |
| Social Security(FICA)               | 95,040              | 100,242             | 78,779                                  |
| Unemployment insurance              | 15,900              | 6,872               | 3,608                                   |
| Workers compensation                | 64,855              | 51,508              | 54,547                                  |
| Overtime                            | 60,000              | 58,430              | 52,845                                  |
| Longevity                           | 23,112              | 22,501              | 21,949                                  |
| OIC                                 | 4,000               | 2,411               | 2,506                                   |
| Shift differential                  | 7,596               | 8,258               | 6,596                                   |
| Court fees                          | 15,000              | 10,259              | 10,929                                  |
| Holiday pay - ftp                   | 37,231              | 41,348              | 33,710                                  |
| HL benefit                          | -                   | 75,391              | 63,347                                  |
| DARE grant expense                  | 3,000               | 1,869               | 1,188                                   |
| Uniform allowance                   | 8,100               | 14,191              | 6,000                                   |
| Uniform Allowance - PT              | 6,900               | 2,202               | -                                       |
| Material and supplies               | 5,000               | 3,204               | 2,579                                   |
| Other expense                       | 25,000              | 15,796              | 10,270                                  |
| Computer maintenance                | 15,000              | 15,622              | 8,173                                   |
| Computer services                   | 15,000              | 3,153               | 4,307                                   |
| Gasoline and oil                    | 14,000              | 9,787               | 9,138                                   |
| Vehicle operating expense           | 12,000              | 6,261               | 10,341                                  |
| Tires                               | 1,600               | 1,271               | 1,762                                   |
| Training rifle range                | 12,000              | 6,417               | 3,989                                   |
| Telephone                           | 11,000              | 10,669              | 11,697                                  |
| Postage                             | 2,000               | 1,402               | 1,960                                   |
| Radio maintenance                   | 8,500               | 6,843               | 1,199                                   |
| Property and liability insurance    | 25,000              | 22,474              | 22,324                                  |
| Dues, subscriptions and memberships | 750                 | 265                 | 190                                     |
| Meetings and conferences            | 5,500               | 2,339               | 1,303                                   |
| Quaker Valley Ambulance Authority   | 30,616              | 34,443              | 30,616                                  |
| <b>TOTAL POLICE PROTECTION</b>      | <b>\$ 2,011,734</b> | <b>\$ 2,045,240</b> | <b>\$ 1,635,493</b>                     |

The accompanying notes are intergral part of these financial statements

**BOROUGH OF SEWICKLEY  
 DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                          | <u>BUDGET</u>       | <u>ACTUAL</u>       | <u>(MEMORANDUM ONLY)<br/>PRIOR YEAR</u> |
|------------------------------------------|---------------------|---------------------|-----------------------------------------|
| <b><u>PUBLIC SAFETY: (Continued)</u></b> |                     |                     |                                         |
| <b><u>FIRE PROTECTION:</u></b>           |                     |                     |                                         |
| Workers compensation                     | \$ 23,000           | \$ 15,476           | \$ 20,853                               |
| Materials and supplies                   | 1,200               | 651                 | 1,093                                   |
| Other expense                            | 2,000               | 1,990               | 862                                     |
| Fire hose and couplings                  | 6,000               | 5,731               | 6,270                                   |
| Vehicle operating expense                | 50,000              | 38,404              | 30,513                                  |
| Telephone and radio expense              | 12,000              | 8,730               | 9,454                                   |
| Insurance                                | 12,000              | 11,760              | 11,101                                  |
| Foreign casualty premium                 | 29,000              | 30,070              | 27,143                                  |
| Contracted services                      | 60,000              | 60,000              | 60,000                                  |
| Training                                 | 3,000               | 3,873               | 2,004                                   |
| Transfer                                 | 40,000              | -                   | -                                       |
| Hydrant fee                              | 16,400              | 16,301              | 16,393                                  |
| <b>TOTAL FIRE PROTECTION</b>             | <b>\$ 254,600</b>   | <b>\$ 192,986</b>   | <b>\$ 185,688</b>                       |
| <b><u>PROTECTIVE INSPECTION:</u></b>     |                     |                     |                                         |
| Salary code enforcement officer          | \$ 69,355           | \$ 27,065           | \$ 57,172                               |
| Life insurance/accident                  | 700                 | 344                 | 824                                     |
| Dental insurance                         | 372                 | 158                 | 740                                     |
| Long term disability                     | 400                 | 156                 | 361                                     |
| Vision insurance                         | 159                 | 29                  | 86                                      |
| Medical                                  | 6,580               | 2,744               | 10,589                                  |
| Health savings account                   | 1,500               | 1,500               | 3,000                                   |
| Pension                                  | 13,127              | 19,691              | 16,440                                  |
| FICA                                     | 5,305               | 2,070               | 3,444                                   |
| Unemployment compensation                | 1,000               | 362                 | 637                                     |
| Workers compensation                     | 1,025               | 577                 | 1,435                                   |
| Materials and supplies                   | 800                 | -                   | 1,125                                   |
| DCED-UCC training                        | 300                 | -                   | 100                                     |
| Contracted Inspection                    | -                   | 41,595              | -                                       |
| Zoning hearing board - legal service     | 2,000               | 1,243               | 3,430                                   |
| Zoning hearing board - steno service     | 1,500               | 500                 | 2,108                                   |
| Telephone                                | 1,200               | 1,023               | 1,557                                   |
| Postage and advertising                  | 1,200               | 5,711               | 776                                     |
| Historic review commission               | 2,500               | -                   | -                                       |
| Planning commission                      | 2,000               | 190                 | 2,500                                   |
| Zoning ordinance update                  | 1,000               | -                   | 2,705                                   |
| <b>TOTAL PROTECTIVE INSPECTION</b>       | <b>\$ 112,023</b>   | <b>\$ 104,958</b>   | <b>\$ 109,029</b>                       |
| <b><u>PLANNING AND ZONING:</u></b>       |                     |                     |                                         |
| ZHB Legal                                | \$ -                | \$ 1,348            | \$ -                                    |
| ZHB Steno                                | -                   | 350                 | -                                       |
| Planning commission                      | -                   | 853                 | -                                       |
| SALDO Review                             | -                   | 4,884               | -                                       |
| Zoning Review                            | -                   | 31,490              | -                                       |
| <b>TOTAL PLANNING AND ZONING</b>         | <b>\$ -</b>         | <b>\$ 38,925</b>    | <b>\$ -</b>                             |
| <b>TOTAL PUBLIC SAFETY</b>               | <b>\$ 2,378,357</b> | <b>\$ 2,382,109</b> | <b>\$ 1,930,210</b>                     |

The accompanying notes are intergral part of these financial statements

**BOROUGH OF SEWICKLEY  
 DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                       | <b>BUDGET</b>       | <b>ACTUAL</b>       | <b>(MEMORANDUM ONLY)<br/>PRIOR YEAR</b> |
|---------------------------------------|---------------------|---------------------|-----------------------------------------|
| <b><u>PUBLIC WORKS:</u></b>           |                     |                     |                                         |
| Salary foreman                        | \$ 66,373           | \$ 68,354           | \$ 66,516                               |
| Salaries                              | 394,850             | 280,156             | 257,884                                 |
| Life/accident insurance               | 5,685               | 5,924               | 6,827                                   |
| Dental insurance                      | 6,881               | 5,770               | 6,082                                   |
| Long term disability                  | 2,976               | 2,604               | 2,691                                   |
| Vision care                           | 1,272               | 726                 | 680                                     |
| Medical                               | 100,340             | 99,342              | 100,718                                 |
| Health savings account                | 18,000              | 16,500              | 18,000                                  |
| Pension                               | 119,811             | 119,413             | 99,180                                  |
| Social Security(FICA)                 | 42,060              | 37,105              | 35,336                                  |
| Unemployment insurance                | 14,042              | 4,327               | 3,290                                   |
| Workers compensation                  | 39,476              | 35,478              | 37,606                                  |
| Overtime                              | 54,500              | 81,274              | 79,287                                  |
| Uniform maintenance                   | 8,500               | 11,372              | 10,690                                  |
| Snow and ice materials                | 46,800              | 43,409              | 56,307                                  |
| Gasoline and oil                      | 36,000              | 38,750              | 35,136                                  |
| Vehicle operation maintenance         | 42,000              | 54,307              | 57,920                                  |
| Vehicle operating expense             | 25,000              | 21,403              | 32,317                                  |
| Storm Sewers/MS4                      | 35,000              | 10,486              | 21,945                                  |
| Street signs and markings             | 11,500              | 7,227               | 6,991                                   |
| Other highway care expenses           | 38,000              | 39,202              | 35,493                                  |
| Water                                 | 600                 | 968                 | 503                                     |
| Tools and minor equipment             | 7,500               | 4,753               | 3,059                                   |
| Telephone and radio                   | 3,500               | 2,687               | 2,471                                   |
| Property and liability insurance      | 20,000              | 17,545              | 17,624                                  |
| Traffic signals                       | 15,700              | 13,613              | 12,317                                  |
| Street lighting                       | 93,600              | 83,951              | 87,452                                  |
| Street Materials                      | -                   | 310                 | -                                       |
| Engineering                           | -                   | 8                   | -                                       |
| <b>TOTAL PUBLIC WORKS</b>             | <b>\$ 1,249,966</b> | <b>\$ 1,106,964</b> | <b>\$ 1,094,320</b>                     |
| <b><u>CULTURE AND RECREATION:</u></b> |                     |                     |                                         |
| <b><u>PARKS AND RECREATION:</u></b>   |                     |                     |                                         |
| Salaries                              | \$ 35,000           | \$ 43,785           | \$ 44,925                               |
| FICA (SS)                             | 2,677               | 3,277               | 3,437                                   |
| Unemployment insurance                | 800                 | 628                 | 531                                     |
| Workers compensation                  | 2,363               | 4,338               | 4,593                                   |
| Materials and supplies                | 10,000              | -                   | 2,819                                   |
| Repairs                               | 30,000              | 32,148              | 38,427                                  |
| Property and liability                | 7,200               | 6,828               | 5,536                                   |
| Water                                 | -                   | 90                  | -                                       |
| <b>TOTAL PARKS AND RECREATION</b>     | <b>\$ 88,040</b>    | <b>\$ 91,094</b>    | <b>\$ 100,268</b>                       |

The accompanying notes are intergral part of these financial statements



**BOROUGH OF SEWICKLEY**  
**DETAIL SCHEDULE OF BUDGETED AND ACTUAL EXPENDITURES**  
**GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                    | <u>BUDGET</u>              | <u>ACTUAL</u>              | <u>(MEMORANDUM ONLY)</u><br><u>PRIOR YEAR</u> |
|----------------------------------------------------|----------------------------|----------------------------|-----------------------------------------------|
| <b><u>CULTURE AND RECREATION: (Continued)</u></b>  |                            |                            |                                               |
| <b><u>SHADE TREES:</u></b>                         |                            |                            |                                               |
| Tree trimming and removal                          | \$ 50,000                  | \$ 17,855                  | \$ 43,075                                     |
| Tree maintenance and spraying                      | 22,500                     | 23,161                     | 33,679                                        |
| Tree maintenance - Mun & Parks                     | -                          | 1,878                      | -                                             |
| Plantings                                          | 7,500                      | 8,553                      | 10,199                                        |
| Arborist Services                                  | 6,000                      | 3,480                      | 1,680                                         |
| Advertising/Mailings                               | 800                        | 167                        | 450                                           |
| <b>TOTAL SHADE TREES</b>                           | <b><u>\$ 86,800</u></b>    | <b><u>\$ 55,094</u></b>    | <b><u>\$ 89,082</u></b>                       |
| <b>TOTAL CULTURE AND RECREATION</b>                | <b><u>\$ 174,840</u></b>   | <b><u>\$ 146,188</u></b>   | <b><u>\$ 189,351</u></b>                      |
| <b><u>DEBT SERVICE:</u></b>                        |                            |                            |                                               |
| TAN Interest                                       | \$ 9,800                   | \$ 27,521                  | \$ 11,120                                     |
| Payment for land purchase                          | 110,951                    | 110,603                    | 110,603                                       |
| <b>TOTAL DEBT SERVICE</b>                          | <b><u>\$ 120,751</u></b>   | <b><u>\$ 138,124</u></b>   | <b><u>\$ 121,723</u></b>                      |
| <b><u>OTHER FINANCING USES:</u></b>                |                            |                            |                                               |
| Tax Refund Assessment                              | \$ 8,400                   | \$ 15,476                  | \$ 27,712                                     |
| Tax Refunds Volunteers                             | 3,000                      | 3,076                      | 2,524                                         |
| Refund Prior Year Receipts                         | -                          | 7,586                      | 21,375                                        |
| Transfer to Capital Reserves #4                    | -                          | 1,079                      | 1,079                                         |
| Transfer for Bond Issue                            | -                          | -                          | 83,197                                        |
| <b>TOTAL OTHER FINANCING USES</b>                  | <b><u>\$ 11,400</u></b>    | <b><u>\$ 27,217</u></b>    | <b><u>\$ 135,888</u></b>                      |
| <b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b> | <b><u>\$ 4,949,200</u></b> | <b><u>\$ 4,739,622</u></b> | <b><u>\$ 4,465,378</u></b>                    |

The accompanying notes are intergral part of these financial statements

**BOROUGH OF SEWICKLEY  
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2019**

|                                                  | <u>HIGHWAY AID<br/>FUND</u>  | <u>SINKING<br/>FUND</u>        | <u>TOTAL</u>                   |
|--------------------------------------------------|------------------------------|--------------------------------|--------------------------------|
| <b><u>ASSETS:</u></b>                            |                              |                                |                                |
| Cash and Cash Equivalents                        | \$ 264,525                   | \$ 94,166                      | \$ 358,691                     |
| Due from Other Funds                             | -                            | 909,629                        | 909,629                        |
| <b>TOTAL ASSETS</b>                              | <b><u>\$ 264,525</u></b>     | <b><u>\$ 1,003,795</u></b>     | <b><u>\$ 1,268,320</u></b>     |
| <br><b><u>LIABILITIES AND FUND BALANCES:</u></b> |                              |                                |                                |
| <b>LIABILITIES:</b>                              |                              |                                |                                |
| Due to Other Funds                               | \$ 19,041                    | \$ 1,003,795                   | \$ 1,022,836                   |
| <b>TOTAL LIABILITIES</b>                         | <b><u>\$ 19,041</u></b>      | <b><u>\$ 1,003,795</u></b>     | <b><u>\$ 1,022,836</u></b>     |
| <br><b>FUND BALANCES:</b>                        |                              |                                |                                |
| Restricted                                       | \$ 245,484                   | \$ -                           | \$ 245,484                     |
| <b>TOTAL FUND BALANCES</b>                       | <b><u>\$ 245,484</u></b>     | <b><u>\$ -</u></b>             | <b><u>\$ 245,484</u></b>       |
| <br><b>TOTAL LIABILITIES AND FUND BALANCES</b>   | <br><b><u>\$ 264,525</u></b> | <br><b><u>\$ 1,003,795</u></b> | <br><b><u>\$ 1,268,320</u></b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**NON-MAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                        | <u>HIGHWAY AID<br/>FUND</u> | <u>SINKING FUND</u> | <u>TOTAL</u>      |
|--------------------------------------------------------|-----------------------------|---------------------|-------------------|
| <b><u>REVENUES:</u></b>                                |                             |                     |                   |
| Intergovernmental                                      | \$ 127,399                  | \$ -                | \$ 127,399        |
| Interest                                               | 4,851                       | -                   | 4,851             |
| <b>TOTAL REVENUES</b>                                  | <b>\$ 132,250</b>           | <b>\$ -</b>         | <b>\$ 132,250</b> |
| <b><u>OTHER FINANCING SOURCES:</u></b>                 |                             |                     |                   |
| Interfund Transfers                                    | \$ -                        | \$ -                | \$ -              |
| <b>TOTAL OTHER FINANCING SOURCES</b>                   | <b>\$ -</b>                 | <b>\$ -</b>         | <b>\$ -</b>       |
| <b>TOTAL REVENUES AND OTHER<br/>FINANCING SOURCES</b>  | <b>\$ 132,250</b>           | <b>\$ -</b>         | <b>\$ 132,250</b> |
| <b><u>EXPENDITURES:</u></b>                            |                             |                     |                   |
| Debt Service                                           | \$ -                        | \$ -                | \$ -              |
| <b>TOTAL EXPENDITURES</b>                              | <b>\$ -</b>                 | <b>\$ -</b>         | <b>\$ -</b>       |
| <b><u>OTHER FINANCING USES:</u></b>                    |                             |                     |                   |
| Interfund Transfers                                    | \$ 74,035                   | \$ -                | \$ 74,035         |
| <b>TOTAL OTHER FINANCING USES</b>                      | <b>\$ 74,035</b>            | <b>\$ -</b>         | <b>\$ 74,035</b>  |
| <b>TOTAL EXPENDITURES AND OTHER<br/>FINANCING USES</b> | <b>\$ 74,035</b>            | <b>\$ -</b>         | <b>\$ 74,035</b>  |
| <b>EXCESS REVENUES OVER<br/>(UNDER) EXPENDITURES</b>   | <b>\$ 58,215</b>            | <b>\$ -</b>         | <b>\$ 58,215</b>  |
| FUND BALANCE - January 1, 2019                         | 187,269                     | -                   | 187,269           |
| <b>FUND BALANCE - December 31, 2019</b>                | <b>\$ 245,484</b>           | <b>\$ -</b>         | <b>\$ 245,484</b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY  
COMBINING BALANCE SHEET - CAPITAL PROJECT FUNDS  
DECEMBER 31, 2019**

|                                              | <b>ROAD<br/>CONSTRUCTION<br/>AND<br/>MAINTENANCE<br/>FUND</b> | <b>BUILDING<br/>FUND</b> | <b>FIRE<br/>FUND</b> | <b>CAPITAL<br/>IMPROVEMENT<br/>FUND</b> | <b>TOTAL</b>        |
|----------------------------------------------|---------------------------------------------------------------|--------------------------|----------------------|-----------------------------------------|---------------------|
| <b><u>ASSETS:</u></b>                        |                                                               |                          |                      |                                         |                     |
| Cash and Cash Equivalents                    | \$ 740,500                                                    | \$ 676                   | \$ 356,840           | \$ 343,462                              | \$ 1,441,478        |
| Taxes Receivable                             | -                                                             | -                        | -                    | 28,275                                  | 28,275              |
| Due from Other Funds                         | 206,484                                                       | 5,000                    | 573,092              | 473,505                                 | 1,258,081           |
| <b>TOTAL ASSETS</b>                          | <b>\$ 946,984</b>                                             | <b>\$ 5,676</b>          | <b>\$ 929,932</b>    | <b>\$ 845,242</b>                       | <b>\$ 2,727,834</b> |
| <b><u>LIABILITIES AND FUND BALANCES:</u></b> |                                                               |                          |                      |                                         |                     |
| <b>LIABILITIES:</b>                          |                                                               |                          |                      |                                         |                     |
| Accounts Payable                             | \$ 13,369                                                     | \$ -                     | \$ -                 | \$ 4,350                                | \$ 17,719           |
| Due to Other Funds                           | 75,400                                                        | -                        | -                    | -                                       | 75,400              |
| <b>TOTAL LIABILITIES</b>                     | <b>\$ 88,769</b>                                              | <b>\$ -</b>              | <b>\$ -</b>          | <b>\$ 4,350</b>                         | <b>\$ 93,119</b>    |
| <b>FUND BALANCES:</b>                        |                                                               |                          |                      |                                         |                     |
| Assigned                                     | \$ 858,215                                                    | \$ 5,676                 | \$ 929,932           | \$ 840,892                              | \$ 2,634,715        |
| <b>TOTAL FUND BALANCES</b>                   | <b>\$ 858,215</b>                                             | <b>\$ 5,676</b>          | <b>\$ 929,932</b>    | <b>\$ 840,892</b>                       | <b>\$ 2,634,715</b> |
| <b>TOTAL LIABILITIES AND FUND BALANCES</b>   | <b>\$ 946,984</b>                                             | <b>\$ 5,676</b>          | <b>\$ 929,932</b>    | <b>\$ 845,242</b>                       | <b>\$ 2,727,834</b> |

The accompanying notes are an integral part of these financial statements

**BOROUGH OF SEWICKLEY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCES**  
**CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

|                                                        | ROAD<br>CONSTRUCTION<br>AND<br>MAINTENANCE<br>FUND | BUILDING<br>FUND | FIRE<br>FUND      | CAPITAL<br>IMPROVEMENT<br>FUND | TOTAL               |
|--------------------------------------------------------|----------------------------------------------------|------------------|-------------------|--------------------------------|---------------------|
| <b><u>REVENUES:</u></b>                                |                                                    |                  |                   |                                |                     |
| Taxes                                                  | \$ 877,773                                         | \$ -             | \$ -              | \$ 465,041                     | \$ 1,342,814        |
| Interest                                               | 17,130                                             | 5                | 5,930             | 4,764                          | 27,829              |
| Intergovernmental                                      | 153,723                                            | -                | -                 | -                              | 153,723             |
| Contributions and Donations                            | -                                                  | -                | 25,000            | 76,460                         | 101,460             |
| Charges for Services                                   | -                                                  | -                | 62,617            | -                              | 62,617              |
| <b>TOTAL REVENUES</b>                                  | <b>\$ 1,048,626</b>                                | <b>\$ 5</b>      | <b>\$ 93,547</b>  | <b>\$ 546,265</b>              | <b>\$ 1,688,443</b> |
| <b><u>OTHER FINANCING SOURCES:</u></b>                 |                                                    |                  |                   |                                |                     |
| Interfund Transfers                                    | \$ -                                               | \$ -             | \$ 1,079          | \$ -                           | \$ 1,079            |
| Refund Prior Year Expenditures                         | 9,330                                              | -                | -                 | -                              | 9,330               |
| Sale of Borough Property                               | -                                                  | -                | 10,000            | -                              | 10,000              |
| <b>TOTAL OTHER FINANCING SOURCES</b>                   | <b>\$ 9,330</b>                                    | <b>\$ -</b>      | <b>\$ 11,079</b>  | <b>\$ -</b>                    | <b>\$ 20,409</b>    |
| <b>TOTAL REVENUES AND OTHER<br/>FINANCING SOURCES</b>  | <b>\$ 1,057,956</b>                                | <b>\$ 5</b>      | <b>\$ 104,626</b> | <b>\$ 546,265</b>              | <b>\$ 1,708,852</b> |
| <b><u>EXPENDITURES:</u></b>                            |                                                    |                  |                   |                                |                     |
| General Government                                     | \$ -                                               | \$ -             | \$ -              | \$ 53,907                      | \$ 53,907           |
| Public Safety                                          | -                                                  | -                | -                 | 118,702                        | 118,702             |
| Public Works                                           | 789,091                                            | -                | -                 | -                              | 789,091             |
| Culture and Recreation                                 | 49,847                                             | -                | -                 | 57,500                         | 107,347             |
| Debt Service                                           | -                                                  | -                | -                 | 27,207                         | 27,207              |
| <b>TOTAL EXPENDITURES</b>                              | <b>\$ 838,938</b>                                  | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ 257,316</b>              | <b>\$ 1,096,254</b> |
| <b><u>OTHER FINANCING USES:</u></b>                    |                                                    |                  |                   |                                |                     |
| Interfund Transfers                                    | \$ -                                               | \$ -             | \$ -              | \$ -                           | \$ -                |
| <b>TOTAL OTHER FINANCING USES</b>                      | <b>\$ -</b>                                        | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ -</b>                    | <b>\$ -</b>         |
| <b>TOTAL EXPENDITURES AND OTHER<br/>FINANCING USES</b> | <b>\$ 838,938</b>                                  | <b>\$ -</b>      | <b>\$ -</b>       | <b>\$ 257,316</b>              | <b>\$ 1,096,254</b> |
| <b>EXCESS REVENUES OVER<br/>(UNDER) EXPENDITURES</b>   | <b>\$ 219,018</b>                                  | <b>\$ 5</b>      | <b>\$ 104,626</b> | <b>\$ 288,949</b>              | <b>\$ 612,598</b>   |
| FUND BALANCE - January 1, 2019                         | 639,197                                            | 5,671            | 825,306           | 551,943                        | 2,022,117           |
| <b>FUND BALANCE - December 31, 2019</b>                | <b>\$ 858,215</b>                                  | <b>\$ 5,676</b>  | <b>\$ 929,932</b> | <b>\$ 840,892</b>              | <b>\$ 2,634,715</b> |

The accompanying notes are an intergral part of these financial statements

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**BOROUGH OF SEWICKLEY**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31,**

|                                                                        | ----- POLICE PENSION PLAN ----- |                     |                     |                     |                     |                     |
|------------------------------------------------------------------------|---------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                                                        | <u>12/31/2019</u>               | <u>12/31/2018</u>   | <u>12/31/2017</u>   | <u>12/31/2016</u>   | <u>12/31/2015</u>   | <u>12/31/2014</u>   |
| <b>Total pension liability-beginning</b>                               | \$ 5,396,817                    | \$ 5,164,579        | \$ 4,895,470        | \$ 4,999,271        | \$ 4,718,569        | \$ 4,603,589        |
| Service Cost                                                           | 128,172                         | 112,330             | 104,981             | 110,407             | 103,184             | 103,122             |
| Interest                                                               | 375,613                         | 358,702             | 340,195             | 348,424             | 328,623             | 320,614             |
| Experience (gain)/loss                                                 | -                               | (175,600)           | -                   | (408,661)           | -                   | (158,864)           |
| Assumption (gain)/loss                                                 | -                               | 129,671             | -                   | -                   | -                   | -                   |
| Plan changes                                                           | -                               | -                   | -                   | -                   | -                   | -                   |
| Benefit payments                                                       | (189,999)                       | (192,865)           | (176,067)           | (153,971)           | (151,105)           | (149,892)           |
| Net change in total pension liability                                  | <u>\$ 313,786</u>               | <u>\$ 232,238</u>   | <u>\$ 269,109</u>   | <u>\$ (103,801)</u> | <u>\$ 280,702</u>   | <u>\$ 114,980</u>   |
| <b>Total pension liability-ending</b>                                  | <u>\$ 5,710,603</u>             | <u>\$ 5,396,817</u> | <u>\$ 5,164,579</u> | <u>\$ 4,895,470</u> | <u>\$ 4,999,271</u> | <u>\$ 4,718,569</u> |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| Plan fiduciary net position-beginning                                  | \$ 5,447,933                    | \$ 5,870,128        | \$ 5,131,202        | \$ 4,820,258        | \$ 4,770,088        | \$ 4,444,523        |
| Contributions-employer                                                 | 98,794                          | 82,241              | 180,683             | 176,326             | 206,064             | 163,494             |
| Contributions-member                                                   | -                               | -                   | -                   | -                   | -                   | -                   |
| Net investment income                                                  | 1,071,840                       | (311,219)           | 770,547             | 309,737             | 5,379               | 329,929             |
| Benefit payments                                                       | (189,999)                       | (192,865)           | (176,067)           | (153,971)           | (151,105)           | (149,892)           |
| Actuarial costs                                                        | (2,620)                         | -                   | (9,865)             | (3,035)             | (9,590)             | (5,525)             |
| Other                                                                  | (350)                           | (352)               | (26,372)            | (18,113)            | (578)               | (12,441)            |
| Change in plan fiduciary net position                                  | <u>\$ 977,665</u>               | <u>\$ (422,195)</u> | <u>\$ 738,926</u>   | <u>\$ 310,944</u>   | <u>\$ 50,170</u>    | <u>\$ 325,565</u>   |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| Plan fiduciary net position-ending                                     | <u>\$ 6,425,598</u>             | <u>\$ 5,447,933</u> | <u>\$ 5,870,128</u> | <u>\$ 5,131,202</u> | <u>\$ 4,820,258</u> | <u>\$ 4,770,088</u> |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| Net pension liability-beginning                                        | <u>\$ (51,116)</u>              | <u>\$ (705,549)</u> | <u>\$ (235,732)</u> | <u>\$ 179,013</u>   | <u>\$ (51,519)</u>  | <u>\$ 159,066</u>   |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| Net pension liability-ending                                           | <u>\$ (714,995)</u>             | <u>\$ (51,116)</u>  | <u>\$ (705,549)</u> | <u>\$ (235,732)</u> | <u>\$ 179,013</u>   | <u>\$ (51,519)</u>  |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| <b>RATIOS:</b>                                                         |                                 |                     |                     |                     |                     |                     |
| Plan fiduciary net position as a percentage of total pension liability | 112.52%                         | 100.95%             | 113.66%             | 104.82%             | 96.42%              | 101.09%             |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| Covered-employee payroll                                               | \$ 993,481                      | \$ 1,081,019        | \$ 753,051          | \$ 772,365          | \$ 720,851          | \$ 791,978          |
| <br>                                                                   |                                 |                     |                     |                     |                     |                     |
| Net pension liability as a percentage of covered-employee payroll      | -71.97%                         | -4.73%              | -93.69%             | -30.52%             | 24.83%              | -6.51%              |

NOTE: Schedule requires information for past 10 calendar years. Most recent actuarial valuation presents information for six most recent years.

**BOROUGH OF SEWICKLEY**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31,**

|                                                                        | -----GENERAL EMPLOYEES PENSION PLAN----- |                     |                     |                     |                     |                     |
|------------------------------------------------------------------------|------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                                                        | 12/31/2019                               | 12/31/2018          | 12/31/2017          | 12/31/2016          | 12/31/2015          | 12/31/2014          |
| <b>Total pension liability-beginning</b>                               | \$ 4,825,536                             | \$ 4,809,338        | \$ 4,548,577        | \$ 4,312,148        | \$ 4,041,299        | \$ 3,736,115        |
| Service Cost                                                           | 61,455                                   | 117,272             | 109,600             | 155,251             | 145,094             | 153,101             |
| Interest                                                               | 334,194                                  | 335,877             | 316,451             | 302,137             | 282,484             | 261,511             |
| Experience (gain)/loss                                                 | -                                        | (401,856)           | -                   | (73,902)            | -                   | 44,166              |
| Assumption (gain)/loss                                                 | -                                        | 104,363             | -                   | -                   | -                   | -                   |
| Plan changes                                                           | -                                        | -                   | -                   | -                   | -                   | -                   |
| Benefit payments                                                       | (164,114)                                | (139,458)           | (165,290)           | (147,056)           | (156,729)           | (153,594)           |
| Net change in total pension liability                                  | <u>\$ 231,535</u>                        | <u>\$ 16,198</u>    | <u>\$ 260,761</u>   | <u>\$ 236,429</u>   | <u>\$ 270,849</u>   | <u>\$ 305,184</u>   |
| <b>Total pension liability-ending</b>                                  | <u>\$ 5,057,071</u>                      | <u>\$ 4,825,536</u> | <u>\$ 4,809,338</u> | <u>\$ 4,548,577</u> | <u>\$ 4,312,148</u> | <u>\$ 4,041,299</u> |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| Plan fiduciary net position-beginning                                  | \$ 4,575,650                             | \$ 4,749,263        | \$ 4,084,580        | \$ 3,738,553        | \$ 3,610,879        | \$ 3,278,772        |
| Contributions-employer                                                 | 196,904                                  | 213,711             | 257,528             | 270,930             | 290,032             | 251,073             |
| Contributions-member                                                   | -                                        | -                   | -                   | -                   | -                   | -                   |
| Net investment income                                                  | 889,592                                  | (247,500)           | 600,465             | 240,320             | 4,956               | 250,692             |
| Benefit payments                                                       | (164,114)                                | (139,458)           | (165,290)           | (147,056)           | (156,729)           | (153,594)           |
| Actuarial costs                                                        | (10,500)                                 | -                   | (7,045)             | (3,875)             | (9,815)             | (5,565)             |
| Other                                                                  | (459)                                    | (366)               | (20,975)            | (14,292)            | (770)               | (10,499)            |
| Change in plan fiduciary net position                                  | <u>\$ 911,423</u>                        | <u>\$ (173,613)</u> | <u>\$ 664,683</u>   | <u>\$ 346,027</u>   | <u>\$ 127,674</u>   | <u>\$ 332,107</u>   |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| Plan fiduciary net position-ending                                     | <u>\$ 5,487,073</u>                      | <u>\$ 4,575,650</u> | <u>\$ 4,749,263</u> | <u>\$ 4,084,580</u> | <u>\$ 3,738,553</u> | <u>\$ 3,610,879</u> |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| Net pension liability-beginning                                        | <u>\$ 249,886</u>                        | <u>\$ 60,075</u>    | <u>\$ 463,997</u>   | <u>\$ 573,595</u>   | <u>\$ 430,420</u>   | <u>\$ 457,343</u>   |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| Net pension liability-ending                                           | <u>\$ (430,002)</u>                      | <u>\$ 249,886</u>   | <u>\$ 60,075</u>    | <u>\$ 463,997</u>   | <u>\$ 573,595</u>   | <u>\$ 430,420</u>   |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| <b>RATIOS:</b>                                                         |                                          |                     |                     |                     |                     |                     |
| Plan fiduciary net position as a percentage of total pension liability | 108.50%                                  | 94.82%              | 98.75%              | 89.80%              | 86.70%              | 89.35%              |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| Covered-employee payroll                                               | \$ 619,806                               | \$ 877,291          | \$ 951,659          | \$ 914,467          | \$ 915,453          | \$ 979,041          |
| <br>                                                                   |                                          |                     |                     |                     |                     |                     |
| Net pension liability as a percentage of covered-employee payroll      | -69.38%                                  | 28.48%              | 6.31%               | 50.74%              | 62.66%              | 43.96%              |

NOTE: Schedule requires information for past 10 calendar years. Most recent actuarial valuation presents information for six most recent years.



**BOROUGH OF SEWICKLEY**  
**SCHEDULE OF ACTUARIALLY DETERMINED PENSION CONTRIBUTION AND RELATED RATIOS**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31,**

----- POLICE PENSION PLAN -----

|                                                           | <u>12/31/2019</u> | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>12/31/2016</u> | <u>12/31/2015</u> | <u>12/31/2014</u> |
|-----------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Actuarially determined contribution                       | \$ 98,794         | \$ 82,241         | \$ 180,683        | \$ 176,326        | \$ 206,061        | \$ 163,494        |
| Contributions                                             | <u>98,794</u>     | <u>82,241</u>     | <u>180,683</u>    | <u>176,326</u>    | <u>206,064</u>    | <u>163,494</u>    |
| Contribution deficiency (excess)                          | <u>-</u>          | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ (3)</u>     | <u>\$ -</u>       |
| <b>RATIOS:</b>                                            |                   |                   |                   |                   |                   |                   |
| Covered-employee payroll                                  | \$ 993,481        | \$ 1,081,019      | \$ 753,051        | \$ 772,365        | \$ 720,851        | \$ 791,978        |
| Contributions as a percentage of covered-employee payroll | 9.94%             | 7.61%             | 23.99%            | 22.83%            | 28.59%            | 20.64%            |

NOTE: Schedule requires information for past 10 calendar years. Most recent actuarial valuation presents information for six most recent years.

**BOROUGH OF SEWICKLEY**  
**SCHEDULE OF ACTUARIALLY DETERMINED PENSION CONTRIBUTION AND RELATED RATIOS**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31,**

----- GENERAL EMPLOYEES' PENSION PLAN -----

|                                                           | <u>12/31/2019</u> | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>12/31/2016</u> | <u>12/31/2015</u> | <u>12/31/2014</u> |
|-----------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Actuarially determined contribution                       | \$ 196,904        | \$ 213,711        | \$ 257,528        | \$ 270,930        | \$ 290,026        | \$ 251,073        |
| Contributions                                             | <u>196,904</u>    | <u>213,711</u>    | <u>257,528</u>    | <u>270,930</u>    | <u>290,032</u>    | <u>251,073</u>    |
| Contribution deficiency (excess)                          | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ -</u>       | <u>\$ (6)</u>     | <u>\$ -</u>       |
| <b>RATIOS:</b>                                            |                   |                   |                   |                   |                   |                   |
| Covered-employee payroll                                  | \$ 619,806        | \$ 877,291        | \$ 951,659        | \$ 914,467        | \$ 915,453        | \$ 979,041        |
| Contributions as a percentage of covered-employee payroll | 31.77%            | 24.36%            | 27.06%            | 29.63%            | 31.68%            | 25.64%            |

NOTE: Schedule requires information for past 10 calendar years. Most recent actuarial valuation presents information for six most recent years.

**BOROUGH OF SEWICKLEY**  
**SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN NET OF INVESTMENT EXPENSE**  
**POLICE PENSION PLAN**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31,**

|                                                                | <u>12/31/2019</u> | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>12/31/2016</u> | <u>12/31/2015</u> | <u>12/31/2014</u> |
|----------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Annual money-weighted rate of return net of investment expense | 19.94%            | -5.37%            | 15.25%            | 6.49%             | 11.00%            | 7.48%             |

NOTE: Schedule requires information for past 10 calendar years. Most recent actuarial valuation presents information for six most recent years.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. A detailed calculation of the money-weighted rate of return, including net cash flows, as follows:

|                             | <u>Plan Investments (a)</u> | <u>Periods Invested (b)</u>         | <u>Period Weight (c) = (b) / 12</u> | <u>(d) = (a) x (1 + r) (c)</u> |
|-----------------------------|-----------------------------|-------------------------------------|-------------------------------------|--------------------------------|
| Beginning value             | \$ 5,447,933                | 12                                  | 1.00                                | 5,447,933 x (1 + r) (1.00)     |
| Monthly net cash flows:     |                             |                                     |                                     |                                |
| January                     | (18,826)                    | 11                                  | 0.92                                | (18,826) x (1 + r) (0.92)      |
| February                    | (16,278)                    | 10                                  | 0.83                                | (16,278) x (1 + r) (0.83)      |
| March                       | (16,206)                    | 9                                   | 0.75                                | (16,206) x (1 + r) (0.75)      |
| April                       | (16,206)                    | 8                                   | 0.67                                | (16,206) x (1 + r) (0.67)      |
| May                         | (16,278)                    | 7                                   | 0.58                                | (16,278) x (1 + r) (0.58)      |
| June                        | (16,206)                    | 6                                   | 0.50                                | (16,206) x (1 + r) (0.50)      |
| July                        | (16,241)                    | 5                                   | 0.42                                | (16,241) x (1 + r) (0.42)      |
| August                      | (15,383)                    | 4                                   | 0.33                                | (15,383) x (1 + r) (0.33)      |
| September                   | (15,311)                    | 3                                   | 0.25                                | (15,311) x (1 + r) (0.25)      |
| October                     | 83,447                      | 2                                   | 0.17                                | 83,447 x (1 + r) (0.17)        |
| November                    | (15,374)                    | 1                                   | 0.08                                | (15,374) x (1 + r) (0.08)      |
| December                    | (15,311)                    | 0                                   | 0.00                                | (15,311) x (1 + r) (0.00)      |
| Appreciation/(Depreciation) | <u>1,071,840</u>            | Money-weighted rate of return ( r ) |                                     | 19.94%                         |
| Ending value                | <u>\$ 6,425,600</u>         |                                     |                                     |                                |

**BOROUGH OF SEWICKLEY**  
**SCHEDULE OF ANNUAL MONEY-WEIGHTED RATE OF RETURN NET OF INVESTMENT EXPENSE**  
**GENERAL EMPLOYEES PENSION PLAN**  
**REQUIRED SUPPLEMENTARY INFORMATION (RSI)**  
**DECEMBER 31,**

|                                                                   | <u>12/31/2019</u> | <u>12/31/2018</u> | <u>12/31/2017</u> | <u>12/31/2016</u> | <u>12/31/2015</u> | <u>12/31/2014</u> |
|-------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Annual money-weighted rate of return<br>net of investment expense | 19.63%            | -5.24%            | 14.95%            | 6.48%             | -0.15%            | 7.72%             |

NOTE: Schedule requires information for past 10 calendar years. Most recent actuarial valuation presents information for six most recent years.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. A detailed calculation of the money-weighted rate of return, including net cash flows, as follows:

|                         | <u>Plan<br/>Investments<br/>( a )</u> | <u>Periods<br/>Invested<br/>( b )</u> | <u>Period Weight<br/>( c ) = ( b ) / 12</u> | <u>( d ) = ( a ) x ( 1 + r ) ( c )</u> |
|-------------------------|---------------------------------------|---------------------------------------|---------------------------------------------|----------------------------------------|
| Beginning value         | \$ 4,575,650                          | 12                                    | 1.00                                        | 4,575,650 x ( 1 + r ) (1.00)           |
| Monthly net cash flows: |                                       |                                       |                                             |                                        |
| January                 | (13,361)                              | 11                                    | 0.92                                        | (13,361) x ( 1 + r ) (0.92)            |
| February                | (13,529)                              | 10                                    | 0.83                                        | (13,529) x ( 1 + r ) (0.83)            |
| March                   | (13,439)                              | 9                                     | 0.75                                        | (13,439) x ( 1 + r ) (0.75)            |
| April                   | (13,439)                              | 8                                     | 0.67                                        | (13,439) x ( 1 + r ) (0.67)            |
| May                     | (13,538)                              | 7                                     | 0.58                                        | (13,538) x ( 1 + r ) (0.58)            |
| June                    | (14,060)                              | 6                                     | 0.50                                        | (14,060) x ( 1 + r ) (0.50)            |
| July                    | (14,189)                              | 5                                     | 0.42                                        | (14,189) x ( 1 + r ) (0.42)            |
| August                  | (15,267)                              | 4                                     | 0.33                                        | (15,267) x ( 1 + r ) (0.33)            |
| September               | (14,427)                              | 3                                     | 0.25                                        | (14,427) x ( 1 + r ) (0.25)            |
| October                 | 174,646                               | 2                                     | 0.17                                        | 174,646 x ( 1 + r ) (0.17)             |
| November                | (13,834)                              | 1                                     | 0.08                                        | (13,834) x ( 1 + r ) (0.08)            |
| December                | (13,729)                              | 0                                     | 0.00                                        | (13,729) x ( 1 + r ) (0.00)            |
| Ending value            | <u>\$ 5,487,073</u>                   | Money-weighted rate of return ( r )   |                                             | 19.63%                                 |

**BOROUGH OF SEWICKLEY**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**POLICE AND GENERAL EMPLOYEES' PENSION PLANS**  
**DECEMBER 31, 2019**

**NOTE 1 - FACTORS AND TRENDS USED IN THE ACTUARIAL VALUATION FOR PENSION BENEFITS**

**Changes in Benefit Terms**

**Police:**

- None

**General Employees:**

- None

**Changes in Assumptions used in the Measurement of Total Pension Liability**

**Police:**

- The mortality was changed from the RP2000 Mortality Table with Scale AA Projection to the valuation date to RP-2006 Fully Generational Mortality Table with mortality improvement MP-2018 from 2006

**General Employees:**

- The mortality was changed from the RP2000 Mortality Table with Scale AA Projection to the valuation date to RP-2006 Fully Generational Mortality Table with mortality improvement MP-2018 from 2006

**Actuarial Assumptions used in Calculations of Actuarially Determined Contributions**

The following actuarial methods and assumptions were used to determine actuarially determined contributions:

**Police:**

- **Actuarial Valuation Date** – January 1, 2019
- **Actuarial Cost Method** - Entry Age Normal
- **Amortization Period** – Funding adjustment is equal to 10% of the unfunded actuarial accrued liability
- **Asset Valuation Method** – Actuarial Value of Assets
- **Investment Rate of Return:** 7.00%

**BOROUGH OF SEWICKLEY**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**POLICE AND GENERAL EMPLOYEES' PENSION PLANS**  
**DECEMBER 31, 2019**

**NOTE 1 - FACTORS AND TRENDS USED IN THE ACTUARIAL VALUATION FOR PENSION BENEFITS (Continued)**

**Actuarial Assumptions used in Calculations of Actuarially Determined Contributions (Continued)**

**General Employees:**

- **Actuarial Valuation Date** – January 1, 2019
- **Actuarial Cost Method** - Entry Age Normal
- **Amortization Period** – Funding adjustment is equal to 10% of the unfunded actuarial accrued liability
- **Asset Valuation Method** – Actuarial Value of Assets
- **Investment Rate of Return:** 7.00%