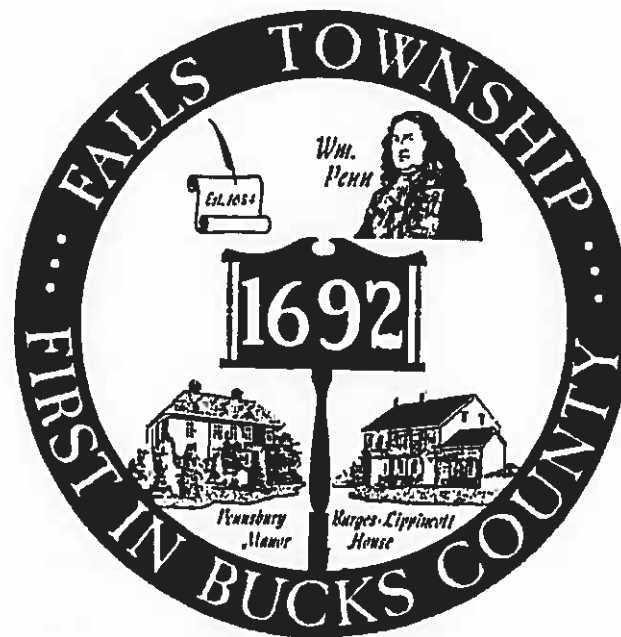


Township of Falls County of Bucks, Pennsylvania

“326 Years of Service to the Community”

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2018



Prepared by Jean E. Reukauf
Finance Director

TOWNSHIP OF FALLS
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2018

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| INTRODUCTORY SECTION | |
| Letter of Transmittal | 3 |
| GFOA Certificate of Achievement | 9 |
| Organizational Chart | 10 |
| List of Elected and Appointed Officials | 11 |
| Map of the Township | 12 |
| FINANCIAL SECTION | |
| Independent Auditor's Report | 15 |
| Management's Discussion and Analysis | 19 |
| Basic Financial Statements: | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 32 |
| Statement of Activities | 33 |
| Fund Financial Statements: | |
| <i>Governmental Funds</i> | |
| Balance Sheet | 34 |
| Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities | 35 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances | 36 |
| Reconciliation of Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities | 37 |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund | 38 |
| <i>Proprietary Funds</i> | |
| Statement of Net Position | 39 |
| Statement of Revenues, Expenses, and Changes in Fund Net Position | 40 |
| Statement of Cash Flows | 41 |
| <i>Fiduciary Funds</i> | |
| Combined Statement of Fiduciary Net Position | 42 |
| Combined Statement of Changes in Fiduciary Net Position – Pension Trust Funds | 43 |
| Notes to the Basic Financial Statements | 44 |

TOWNSHIP OF FALLS
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2018

TABLE OF CONTENTS
(Continued)

| | |
|--|-----|
| Required Supplementary Information: | |
| Schedule of Changes in Plan's Net Pension Liability and Related Ratios – Police Pension Plan | 74 |
| Schedule of Changes in Plan's Net Pension Liability and Related Ratios – Nonuniform Pension Plan | 75 |
| Schedule of Employer Contributions – Police Pension Plan | 76 |
| Schedule of Employer Contributions – Nonuniform Pension Plan | 77 |
| Schedule of Investment Returns – Police Pension Plan | 78 |
| Schedule of Investment Returns – Nonuniform Pension Plan | 79 |
| Schedule of Changes in Plan's Net OPEB Liability and Related Ratios | 80 |
| Supplementary Information: | |
| Combining and Individual Fund Statements and Schedules: | |
| Combining Balance Sheet – Nonmajor Governmental Funds | 83 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balance – Nonmajor Governmental Funds | 84 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual: | |
| Fire Hydrant Special Revenue Fund | 85 |
| Highway Aid Special Revenue Fund | 86 |
| Street Lighting Special Revenue Fund | 87 |
| Fire Protection Special Revenue Fund | 88 |
| Library Special Revenue Fund | 89 |
| Park and Recreation Special Revenue Fund | 90 |
| Rescue Squad Special Revenue Fund | 91 |
| Crime Prevention Special Revenue Fund | 92 |
| Capital Reserve Capital Projects Fund | 93 |
| Combining Statement of Plan Net Position – all Pension Trust Funds | 96 |
| Combining Statement of Changes in Plan Net Position – all Pension Trust Funds | 97 |
| Statement of Changes in Assets and Liabilities – Township | |
| Escrow Subdivision Fund | 98 |
| Capital Assets Used in the Operation of Governmental Funds | |
| Comparative Schedules by Source | 100 |
| Schedule by Function and Activity | 101 |
| Schedule of Changes by Function and Activity | 102 |
| STATISTICAL SECTION | |
| Net Position by Components | 105 |
| Changes in Net Position | 106 |

TOWNSHIP OF FALLS
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2018

TABLE OF CONTENTS
(Continued)

| | |
|---|-----|
| Fund Balances of Governmental Funds | 109 |
| Changes in Fund Balances of Governmental Funds | 110 |
| General Governmental Tax Revenues by Source | 112 |
| Assessed and Estimated Actual Value of Taxable Property | 113 |
| Property Tax Rates – Direct and Overlapping Governments | 114 |
| Principal Property Taxpayers | 115 |
| Property Tax Levies and Collections | 116 |
| Ratios of Outstanding Debt by Type | 117 |
| Ratio of General Bonded Debt Outstanding | 118 |
| Direct and Overlapping Governmental Activities Debt | 119 |
| Legal Debt Margin Information | 120 |
| Revenue Bond Coverage – Water/Sewer Funds | 121 |
| Demographic and Economic Statistics | 122 |
| Principal Employers | 123 |
| Full-time Equivalent Township Employees by Function | 124 |
| Operating Indicators by Function | 125 |
| Capital Asset Statistics by Function | 126 |
| Schedule of Insurance | 127 |
| Miscellaneous Statistics | 128 |

This Page Intentionally Left Blank