

***BLAIR TOWNSHIP***  
***INDEPENDENT AUDITOR'S REPORT***  
***For The Year Ending***  
***December 31, 2016***



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*INDEPENDENT AUDITOR'S REPORT*

# *Ritchey, Ritchey & Koontz*

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## Independent Auditor's Report

Blair Township  
Duncansville, PA

We have audited the accompanying financial statements of Blair Township, which comprise the statement of cash of each fund as of December 31, 2016, and the related statement of cash receipts and disbursements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Pennsylvania Department of Community and Economic Development. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### **Auditor's Responsibility**

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

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

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

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of Blair Township, as of December 31, 2016, and the revenues and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of the PA DCED.

## **Basis of Accounting**

We draw attention to the following sentences, which describe the basis of accounting. The financial statements are prepared on the basis of the financial reporting provisions of the Pennsylvania Department of Community and Economic Development, Governor's Center for Local Government Services, which is a basis of accounting other than principles generally accepted in the United States of America, to comply with the requirements of PA DCED. Our opinion is not modified with respect to that matter. The effects on the financial statements of the significant differences between the PA DCED cash basis of accounting and generally accepted accounting principles in the United States of America are that revenues are recorded when received rather than earned and expenditures are recognized when paid rather than when incurred. No fixed assets nor infrastructure assets are capitalized and depreciated; and, payroll taxes payable are recognized as liabilities while other long-term obligations, such as compensated absences, are not recognized. No U.S. GAAP footnotes are presented and no statement of cash flows are presented.

## **Restriction on Use**

This report is intended solely for the information and use of management, the Township Supervisors, others within Blair Township and the PA DCED and is not intended and should not be used by anyone other than these specified parties.

Very truly yours,

RITCHEY, RITCHEY & KOONTZ

*Rithey, Rithey & Koontz*

Bedford, PA  
April 5, 2017



**2016 MUNICIPAL ANNUAL AUDIT  
AND  
FINANCIAL REPORT**

**070155 BLAIR TWP, BLAIR COUNTY**





## BLAIR TWP, BLAIR County

## BALANCE SHEET

December 31, 2016

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
<b>Liabilities and Other Credits</b>											
260-269	Long-Term-Liabilities							2,997,719			2,997,719
240-259	Current Portion of Long-Term Debt and Other Credits										
<b>Total Liabilities and Other Credits</b>								3,077,098			3,077,098
<b>Fund and Account Group Equity</b>											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets										
270-289	Fund Balance / Retained Earnings on 12/31	361,088	241,478	298,250				-475,958			424,858
291-299	Other Equity										
<b>Total Fund and Account Group Equity</b>		361,088	241,478	298,250				-475,958			424,858
<b>TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY</b>											3,501,956

**BLAIR TWP, BLAIR County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

**Taxes**

301.00	Real Estate Taxes	259,328						259,328
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)							
310.00	Per Capita Taxes	14,608						14,608
310.10	Real Estate Transfer Taxes	71,417						71,417
310.20	Earned Income Taxes / Wage Taxes	632,553						632,553
310.30	Business Gross Receipts Taxes							
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	109,331						109,331
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other Local Tax Enabling Act / Act 511 / Taxes							
	Other: _____							
<b>Total Taxes</b>		1,087,237						1,087,237

**Licenses and Permits**

320-322	All Other Licenses and Permits	400						400
321.80	Cable Television Franchise Fees	58,899						58,899
<b>Total Licenses and Permits</b>		59,299						59,299

**Fines and Forfeits**

330-332	Fines and Forfeits	13,743						13,743
<b>Total Fines and Forfeits</b>		13,743						13,743

**BLAIR TWP, BLAIR County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

<b>Interest, Rents and Royalties</b>								
341.00	Interest Earnings	829	1,162	1,155			149,521	152,667
342.00	Rents and Royalties							
<b>Total Interest, Rents and Royalties</b>		829	1,162	1,155			149,521	152,667

<b>Federal</b>								
351.03	Highways and Streets							
351.09	Community Development							
351.00	All Other Federal Capital and Operating Grants							
352.01	National Forest							
352.00	All Other Federal Shared Revenue and Entitlements							
353.00	Federal Payments in Lieu of Taxes							
<b>Total Federal</b>								

<b>State</b>								
354.03	Highways and Streets	9,268						9,268
354.09	Community Development							
354.15	Recycling / Act 101							
354.00	All Other State Capital and Operating Grants							
355.01	Public Utility Realty Tax (PURTA)	1,228						1,228
355.02-355.03	Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road Turnback		146,121					146,121
355.04	Alcoholic Beverage Licenses	1,000						1,000
355.05	General Municipal Pension System State Aid	56,870						56,870
355.07	Foreign Fire Insurance Tax Distribution	29,565						29,565
355.08	Local Share Assessment/Gaming Proceeds							
355.09	Marcellus Shale Impact Fee Distribution			1,654				1,654

BLAIR TWP, BLAIR County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

**State**

355.00	All Other State Shared Revenues and Entitlements							
356.00	State Payments in Lieu of Taxes	591						591
<b>Total State</b>		98,522	146,121	1,654				246,297

**Local Government Units**

357.03	Highways and Streets	2,720						2,720
357.00	All Other Local Governmental Units Capital and Operating Grants							
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes							
<b>Total Local Government Units</b>		2,720						2,720

**Charges for Service**

361.00	General Government	17,499						17,499
362.00	Public Safety	14,350						14,350
363.20	Parking							
363.00	All Other Charges for Highway & Street Services	194						194
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and Disposal Charge (trash)							
364.60	Host Municipality Benefit Fee for Solid Waste Facility							
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation							
368.00	Airports							

**BLAIR TWP, BLAIR County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
<b>Total Charges for Service</b>		32,043						32,043

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	4,982						4,982
388.00	Fiduciary Fund Pension Contributions					98,625		98,625
389.00	All Other Unclassified Operating Revenues	155						155
<b>Total Unclassified Operating Revenues</b>		5,137				98,625		103,762

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition			2				2
392.00	Interfund Operating Transfers	60,314	50,000					110,314
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

**BLAIR TWP, BLAIR County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**REVENUES**

Other Financing Sources								
395.00	Refunds of Prior Year Expenditures	9,131						9,131
<b>Total Other Financing Sources</b>		9,131	60,314	50,002				119,447

**TOTAL REVENUES**

1,308,661	207,597	52,811				248,146	1,817,215
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**EXPENDITURES**

General Government								
400.00	Legislative (Governing) Body	5,767						5,767
401.00	Executive (Manager or Mayor)							
402.00	Auditing Services / Financial Administration	4,575						4,575
403.00	Tax Collection	21,366						21,366
404.00	Solicitor / Legal Services	25,065						25,065
405.00	Secretary / Clerk	78,148						78,148
406.00	Other General Government Administration	40						40
407.00	IT-Networking Services-Data Processing							
408.00	Engineering Services	21,431	3,313					24,744
409.00	General Government Buildings and Plant	12,294						12,294
<b>Total General Government</b>		168,686	3,313					171,999

**Public Safety**

410.00	Police	327,954						327,954
411.00	Fire	69,565						69,565
412.00	Ambulance / Rescue							
413.00	UCC and Code Enforcement							

**BLAIR TWP, BLAIR County**  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

<b>Public Safety</b>								
414.00	Planning and Zoning							
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety							
<b>Total Public Safety</b>		397,519						397,519

<b>Health and Human Services</b>								
420.00-425.00	Health and Human Services	1,500		4,131				5,631
<b>Total Health and Human Services</b>		1,500		4,131				5,631

<b>Public Works - Sanitation</b>								
426.00	Recycling Collection and Disposal							
427.00	Solid Waste Collection and Disposal (garbage)							
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
<b>Total Public Works - Sanitation</b>								

<b>Public Works - Highways and Streets</b>								
430.00	General Services - Administration	204,385						204,385
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	4,099	10,698					14,797
433.00	Traffic Control Devices	5,929						5,929
434.00	Street Lighting	5,058						5,058



BLAIR TWP, BLAIR County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

### EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains							
437.00	Repairs of Tools and Machinery	690						690
438.00	Maintenance and Repairs of Roads and Bridges	10,923						10,923
439.00	Highway Construction and Rebuilding Projects		123,617					123,617
<b>Total Public Works - Highways and Streets</b>		231,084	134,315					365,399

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control	3,523						3,523
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
<b>Total Other Public Works Enterprises</b>		3,523						3,523

Culture and Recreation								
451.00	Culture-Recreation Administration							
452.00	Participant Recreation							
453.00	Spectator Recreation							
454.00	Parks							

BLAIR TWP, BLAIR County  
**STATEMENT OF REVENUES AND EXPENDITURES**

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

<b>Culture and Recreation</b>								
455.00	Shade Trees							
456.00	Libraries	2,247						2,247
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers							
459.00	All Other Culture and Recreation							
<b>Total Culture and Recreation</b>		2,247						2,247

<b>Community Development</b>								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing	41,465						41,465
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development							
<b>Total Community Development</b>		41,465						41,465

<b>Debt Service</b>								
471.00	Debt Principal (short-term and long-term)	19,353						19,353
472.00	Debt Interest (short-term and long-term)	15,320						15,320
475.00	Fiscal Agent Fees							
<b>Total Debt Service</b>		34,673						34,673

<b>Employer Paid Benefits and Withholding Items</b>								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation	44,307						44,307
482.00	Judgments and Losses						318,043	318,043
483.00	Pension / Retirement Fund Contributions	94,714						94,714

BLAIR TWP, BLAIR County  
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

**EXPENDITURES**

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits	127,375						127,375
<b>Total Employer Paid Benefits and Withholding Items</b>		266,396					318,043	584,439

Insurance								
486.00	Insurance, Casualty, and Surety	75,072						75,072
<b>Total Insurance</b>		75,072						75,072

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						240,279	240,279
489.00	All Other Unclassified Expenditures						6,593	6,593
<b>Total Unclassified Operating Expenditures</b>							246,872	246,872

Other Financing Uses								
491.00	Refund of Prior Year Revenues	457					159,189	159,646
492.00	Interfund Operating Transfers	60,314	50,000					110,314
493.00	All Other Financing Uses							
<b>Total Other Financing Uses</b>		60,771	50,000				159,189	269,960

<b>TOTAL EXPENDITURES</b>	1,282,936	184,315	7,444				724,104	2,198,799
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<b>EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES</b>	25,725	23,282	45,367				-475,958	-381,584
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**BLAIR TWP**  
December 31, 2016

**DEBT STATEMENT**

**OUTSTANDING BONDS AND NOTES**

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
<b>General Obligation Bonds and Notes</b>											
USDA Loan	Bond	2010	2050	3,950,000	371,519		5,056		366,463		366,463
<b>Revenue Bonds and Notes</b>											
<b>Lease Rental Debt</b>											
JOHN DEERE FINANCIAL	Lease Rentals	2012	2017	65,225	28,867		14,297		14,570		14,570
<b>Other</b>											

(1) - excludes unamortized premium/discount

<b>Total bonds and notes outstanding</b>	381,033
<b>Capitalized lease obligations</b>	0
<b>Net debt</b>	381,033

**BLAIR TWP, BLAIR County**  
**STATEMENT OF CAPITAL EXPENDITURES**

December 31, 2016

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire			
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	39,913		39,913
Recreation			
Sewer			
Solid Waste			
Streets / Highways	3,965	1,100	5,065
Water			
Other: _____			
<b>TOTAL CAPITAL EXPENDITURES</b>	43,878	1,100	44,978

**EMPLOYEE COMPENSATION**

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

550,708