

TOWN OF BLOOMSBURG

FINANCIAL REPORT

DECEMBER 31, 2021

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INDEPENDENT AUDITOR'S REPORT

Members of Town Council
Town of Bloomsburg
Bloomsburg, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activity, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Bloomsburg, Pennsylvania as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial positions of the governmental activities, the business-type activity, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Bloomsburg, as of December 31, 2021, and the respective changes in financial positions, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

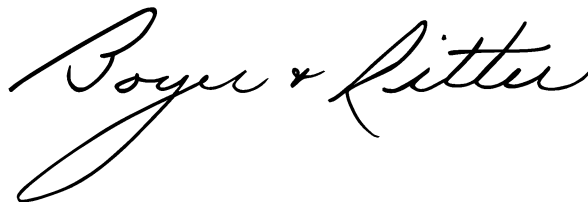
Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 9, and the required supplementary information as listed in the Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Combining and Individual Fund Statements listed in the Contents and the Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Fund Statements listed in the Contents and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*; we have also issued our report dated May 13, 2022, on our consideration of the Town of Bloomsburg's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Bloomsburg's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Bloomsburg's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Boyer & Ritten". The signature is written in black ink and is positioned above the typed name and date.

Camp Hill, Pennsylvania
May 13, 2022

MANAGEMENT’S DISCUSSION AND ANALYSIS

The following Management’s Discussion and Analysis (MD&A) is intended to help the reader understand the Town of Bloomsburg, its operations and its present environment. The MD&A is provided as a supplement and should be read in conjunction with the financial statements. This analytical overview of the Town’s financial activities is comprised of the government-wide financial statements, fund financial statements, and notes to the financial statements. We hope this, in conjunction with additional information provided within the financial statements, will assist readers in identifying significant issues and changes in the Town’s financial position.

General

The Town of Bloomsburg is a small historic town located within Columbia County and is home to just over 12,711 residents from the latest 2020 Census data. The population is down 2,144 residents from the 2010 Census data. Bloomsburg is the County seat and is considered the only legally incorporated “town” in Pennsylvania. This incorporation took place on March 4, 1870. The Town is located along Route 11 and is less than five minutes from two exits of Interstate 80 making Bloomsburg a hub of activity for residents and visitors.

Strategic Imperatives

The following strategic imperatives will be the focus of the Town to attempt to ensure the success in the coming years:

- A review of the fixed asset listing is needed to update the records for the Town of Bloomsburg.
- Continued effort to minimize flooding impacts in Bloomsburg to our businesses and residents.
- Continue with renovations to the Norris E. Rock Memorial Pool.
- PennDOT will be upgrading East Street in 2021 and 2022. The Town of Bloomsburg will receive \$1.2M of sidewalk and street lighting improvements.
- Ensuring proper street lighting, sidewalks and paved roads are in place for public use.
- Parking lots will be upgraded through a combination of grant funds received through the USDA and the utilization of American Rescue Plan funds.
- The Town was awarded \$6.2M of American Rescue Funds in 2021 and will utilize those funds through 2024 to enhance Bloomsburg and also put into place COVID-19 protective measures for the employees and also the public in which we serve.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Town’s basic financial statements. The Town’s basic financial statements are comprised of three components: 1) government - wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

1) Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the Town’s finances, in a manner similar to a private business. The government-wide financial statements include a *statement of net position* and a *statement of activities*.

- The *statement of net position* presents information on the Town’s entire assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

Overview of the Financial Statements (Continued)

1) Government-wide Financial Statements (Continued)

- The *statement of activities* presents information on how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) and activities from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*).

- The *governmental activities* of the Town include education, general government, public safety, public works, code enforcement, airport, economic development and recreation.
- The *business-type activity* of the Town includes the Recycling Center.

Also included in the statements are the component units of the Town. Component units are described as an organization that raises and holds economic resources for the direct benefit of a governmental unit. Components units of the Town are the Norris E. Rock Memorial Pool and Bloomsburg Municipal Authority.

2) Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into three categories: *governmental*, *proprietary* or *fiduciary*.

- **Governmental Funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Overview of the Financial Statements (Continued)

2) Fund Financial Statements (Continued)

The Town maintains a number of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances (deficit) for the General, Library, Day Care, UDAG Loan Repayment, Liquid Fuels and CDBG Program Income. The Bloomsburg Municipal Authority also ended the year at a deficit. Along with the Recycling Fund.

The Town of Bloomsburg adopts an annual appropriated budget for the funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budgetary requirement.

- **Proprietary funds** represent charges from customers for provided services, whether to outside customers or to other units of government; these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. Proprietary funds are comprised of two types: 1.) *enterprise funds* and 2.) *internal service funds*. The Town utilizes enterprise funds for its Recycling Center. Internal service funds are an accounting device use to accumulate and allocate costs/internal amounts to the Town's various functions. Any internal service funds are reported within governmental activities in the government-wide financial statements as they predominantly benefit governmental rather than business-type functions.
- **Fiduciary funds** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs (e.g. pension funds). The accounting used for fiduciary funds is similar to proprietary funds. Information is presented separately in the statement of fiduciary net position and statement of changes in fiduciary net position for the Police Pension and Town Employee Pension

3) Notes to the Financial Statements/Other Information

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. This information can be found at the end of the financials in this report.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town of Bloomsburg's progress in funding its obligation to provide pension and other post-employment benefits to its employees.

The combining statements of non-major governmental funds are presented immediately following the required supplementary information.

Results of Operations - Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities by \$26,242,054 as of the close of the most recent fiscal year for governmental activities and business-type activities.

CONDENSED STATEMENTS OF NET POSITION - GOVERNMENT WIDE

	December 31,		Variance	
	2021	2020	Amount	%
Assets				
Current assets	\$ 6,764,747	\$ 5,356,775	\$ 1,407,972	26.28
Capital assets	32,078,343	24,983,321	7,095,022	28.40
Total assets	\$ 38,843,090	\$ 30,340,096	\$ 8,502,994	28.03
Deferred Outflows of Resources	\$ 1,980,473	\$ 2,717,095	\$ (736,622)	(27.11)
Liabilities				
Current liabilities	\$ 3,521,368	\$ 2,285,931	\$ 1,235,437	54.05
Long-term liabilities	9,069,517	10,024,050	(954,533)	(9.52)
Total liabilities	\$ 12,590,885	\$ 12,309,981	\$ 280,904	2.28
Deferred Inflows of Resources	\$ 1,990,624	\$ 1,737,014	\$ 253,610	14.60
Net Position				
Net investment in capital assets	\$ 30,769,374	\$ 23,460,997	\$ 7,308,377	31.15
Restricted	961,345	1,105,927	(144,582)	(13.07)
Unrestricted	(5,488,665)	(5,556,728)	68,063	(1.22)
Total net position	\$ 26,242,054	\$ 19,010,196	\$ 7,231,858	38.04

The largest portion of the Town's net position reflects its investments in capital assets of \$30.8 million. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. It should be noted that the resources needed to repay debt associated with capital assets must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the Town's net position (\$961 thousand) represents resources that are subject to external restrictions on how they may be used. Below is a four-year comparison of the net positions for the Town.

	December 31,			
	2021	2020	2019	2018
Governmental Activities	\$ 25,721,291	\$ 25,387,644	\$ 18,337,459	\$ 13,087,779
Business-Type Activities	520,763	513,676	672,737	749,673
Total net position	\$ 26,242,054	\$ 25,901,320	\$ 19,010,196	\$ 13,837,452

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Town's governmental funds reported combined fund balances of \$2.5 million, an increase of approximately \$600 thousand in comparison with the prior year.

Shown below is the activity in the General Fund for each department.

2021 GENERAL FUND BUDGET VS ACTUAL

	Budget	Actual	Variance
Administration			
Revenue	\$ 4,166,529	\$ 5,125,954	\$ 959,425
Expenses	911,372	1,641,279	729,907
Street Excavation			
Revenue	101,500	162,350	60,850
Expenses	101,500	128,455	26,955
Town Buildings			
Expenses	77,100	74,310	(2,790)
Tax Collector			
Expenses	21,398	21,359	(39)
Police Department			
Revenue	985,855	994,006	8,151
Expenses	2,945,654	2,915,431	(30,223)
Airport			
Revenue	132,285	188,740	56,455
Expenses	160,490	173,431	12,941
Fire Department			
Revenue	60,000	57,284	(2,716)
Expenses	60,000	57,284	(2,716)
Codes Department			
Revenue	313,305	573,792	260,487
Expenses	410,413	666,730	256,317
Emergency Management			
Expenses	5,242	4,499	(743)
Public Works			
Revenue	12,285	60,589	48,304
Expenses	1,037,690	1,081,853	44,163
Town Park			
Revenue	15,500	13,352	(2,148)
Expenses	52,500	46,879	(5,621)
Shade Tree			
Revenue	-	1,813	1,813
Expenses	3,900	2,447	(1,453)
Human Relations Commission			
Expenses	-	158	158
Community Garden			
Revenue	500	415	(85)
Expenses	500	300	(200)
Total Revenue	<u>5,787,759</u>	<u>7,178,295</u>	<u>1,390,536</u>
Total Expenses	<u>5,787,759</u>	<u>6,814,415</u>	<u>1,026,656</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 363,880</u>	<u>\$ 363,880</u>

Proprietary Funds

The Town of Bloomsburg's proprietary fund continues to decrease. The rising competition for recyclable goods is a factor. The decreasing numbers of private industry drop-offs also contributes. In an effort to minimize costs, the Recycling Center's recycling fees went in house in 2016. With joint efforts from the Finance and Recycling Departments and the Town's financial institution, this project was accomplished. The switch allowed the Recycling Center to see an immediate cost savings. Since July 2013, the Town partnered with Bloomsburg University to pick up recyclable collections. Management remains confident in its ability to generate collection growth in a highly competitive environment, but also understands that some competitors have greater financial resources and could use these resources to take measures which could adversely affect the Town's competitive position. The Town switched credit collection agencies in 2020 and experienced an increased rate of collection compared to the prior collector. In the upcoming calendar year, businesses and residents will see an increased cost to service.

Original Budget vs. Final Budget

Half of the American Rescue Funds were received in 2021 and were not anticipated or budgeted for in the 2021 budget. Other than that, there were no significant differences in budgets made during the 2021 year.

Request for Information

This financial report is designed to provide a general overview of the Town of Bloomsburg's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to The Town of Bloomsburg, 301 East Second Street, Bloomsburg PA 17815.

TOWN OF BLOOMSBURG

STATEMENT OF NET POSITION

December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activity	Total	Norris Rock Pool	Municipal Authority
Assets					
Cash and cash equivalents	\$ 5,207,631	\$ 541,466	\$ 5,749,097	\$ 1,011,225	\$ 4,423,365
Investments	-	-	-	-	1,443,458
Receivables	829,053	127,801	956,854	2,151	721,490
Internal balances	42,024	(42,024)	-	-	-
Prepaid expenses	51,972	6,824	58,796	-	114,065
Capital Assets					
Land and construction-in-progress	3,189,427	-	3,189,427	408,130	10,241,348
Other capital assets, net of depreciation	28,278,338	610,578	28,888,916	14,412	14,674,488
Total capital assets	31,467,765	610,578	32,078,343	422,542	24,915,836
Total assets	\$ 37,598,445	\$ 1,244,645	\$ 38,843,090	\$ 1,435,918	\$ 31,618,214
Deferred Outflows of Resources					
Deferred amounts on pension liabilities	\$ 1,021,592	\$ 112,009	\$ 1,133,601	\$ -	\$ 271,017
Deferred amounts on OPEB liability	801,545	45,327	846,872	-	586,399
Total deferred outflows of resources	\$ 1,823,137	\$ 157,336	\$ 1,980,473	\$ -	\$ 857,416
Liabilities					
Accounts payable and accrued expenses	\$ 305,842	\$ 23,306	\$ 329,148	\$ 489	\$ 375,092
Unearned revenues	3,018,491	6,760	3,025,251	1,665	-
Long-term liabilities					
Notes payable due within one year	166,969	-	166,969	21,000	1,354,000
Notes payable due in more than one year	1,142,000	-	1,142,000	1,083,000	11,239,605
Net pension liabilities	3,358,216	291,682	3,649,898	-	396,219
OPEB liabilities	3,924,733	352,886	4,277,619	-	2,166,593
Total long-term liabilities	8,591,918	644,568	9,236,486	1,104,000	15,156,417
Total liabilities	\$ 11,916,251	\$ 674,634	\$ 12,590,885	\$ 1,106,154	\$ 15,531,509
Deferred Inflows of Resources					
Deferred amounts on pension liabilities	\$ 1,234,033	\$ 143,291	\$ 1,377,324	\$ -	\$ 173,727
Deferred amounts on OPEB liabilities	550,007	63,293	613,300	-	198,927
Total deferred inflows of resources	\$ 1,784,040	\$ 206,584	\$ 1,990,624	\$ -	\$ 372,654
Net Position					
Net investment in capital assets	\$ 30,158,796	\$ 610,578	\$ 30,769,374	\$ (681,458)	\$ 12,322,231
Restricted	961,345	-	961,345	-	-
Unrestricted	(5,398,850)	(89,815)	(5,488,665)	1,011,222	4,249,236
Total net position	\$ 25,721,291	\$ 520,763	\$ 26,242,054	\$ 329,764	\$ 16,571,467

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**STATEMENT OF ACTIVITIES
Year Ended December 31, 2021**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenues and Changes in Net Position			Component Units		
		Charges for Services	Operating Grants and Contributions	Primary Government		Norris Rock Pool	Municipal Authority		
				Governmental Activities	Business-Type Activity			Total	
Governmental Activities									
General government	\$ 1,980,865	\$ 93,952	\$ 1,391,353	\$ (495,560)	\$ -	\$ (495,560)	\$ -	\$ -	
Public safety	3,858,137	1,030,743	138,415	(2,688,979)	-	(2,688,979)	-	-	
Public works	2,131,352	528,951	725,838	(876,563)	-	(876,563)	-	-	
Culture and recreation	342,946	415	-	(342,531)	-	(342,531)	-	-	
Community and development	3,950	-	-	(3,950)	-	(3,950)	-	-	
Interest expense	26,367	-	-	(26,367)	-	(26,367)	-	-	
Total governmental activities	8,343,617	1,654,061	2,255,606	(4,433,950)	-	(4,433,950)	-	-	
Business-Type Activity									
Recycling	656,621	624,355	47,156	-	14,890	14,890	-	-	
Total primary government	\$ 9,000,238	\$ 2,278,416	\$ 2,302,762	\$ (4,433,950)	\$ 14,890	\$ (4,419,060)	\$ -	\$ -	
Component Units									
Norris Rock Pool	\$ 63,566	\$ -	\$ 318,734	\$ -	\$ -	\$ -	\$ 255,168	\$ -	
Municipal Authority	5,118,896	4,232,820	2,172,681	-	-	-	-	1,286,605	
Total component units	\$ 5,182,462	\$ 4,232,820	\$ 2,491,415	\$ -	\$ -	\$ -	\$ 255,168	\$ 1,286,605	
General Revenues and Transfers									
Property taxes				\$ 2,388,738	\$ -	\$ 2,388,738	\$ -	\$ -	
Local enabling act taxes				2,027,527	-	2,027,527	-	-	
Investment income				9,833	1,347	11,180	-	16,936	
Miscellaneous income				314,483	16,850	331,333	2,001	315	
Loss on disposition of capital assets				1,016	-	1,016	-	-	
Transfers				26,000	(26,000)	-	-	-	
Total general revenues and transfers				4,767,597	(7,803)	4,759,794	2,001	17,251	
Changes in net position				333,647	7,087	340,734	257,169	1,303,856	
Net Position:									
January 1, 2021				25,387,644	513,676	25,901,320	72,595	15,267,611	
December 31, 2021				\$ 25,721,291	\$ 520,763	\$ 26,242,054	\$ 329,764	\$ 16,571,467	

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2021

	General Fund	Day Care Debt Service Fund	General Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 4,147,262	\$ 58,718	\$ 210,499	\$ 791,152	\$ 5,207,631
Due from other funds	84,091	-	-	-	84,091
Receivables	461,699	223,014	24,380	119,960	829,053
Prepaid expenses	34,203	-	-	17,769	51,972
Total assets	\$ 4,727,255	\$ 281,732	\$ 234,879	\$ 928,881	\$ 6,172,747
Liabilities					
Due to other funds	\$ -	\$ -	\$ -	\$ 42,067	\$ 42,067
Accounts payable	161,648	-	-	62,154	223,802
Accrued salaries and benefits	82,039	-	-	-	82,039
Unearned revenues	2,480,840	537,652	-	-	3,018,492
Total liabilities	2,724,527	537,652	-	104,221	3,366,400
Deferred Inflows of Resources					
Property taxes receivable	173,374	-	18,610	30,641	222,625
Future rents receivable	-	32,997	-	-	32,997
Total deferred inflows of resources	173,374	32,997	18,610	30,641	255,622
Fund Balances (Deficit)					
Nonspendable	34,203	-	-	17,769	51,972
Restricted for					
Debt service	-	(288,917)	-	-	(288,917)
Program expenditures	-	-	-	776,250	776,250
DUI fines	76,288	-	-	-	76,288
Street excavation fees	345,753	-	-	-	345,753
Committed for:					
Sunview Development road work project	67,940	-	-	-	67,940
Unassigned	1,305,171	-	216,269	-	1,521,440
Total fund balances (deficit)	1,829,354	(288,917)	216,269	794,019	2,550,725
Total liabilities, deferred inflows of resources and fund balances	\$ 4,727,255	\$ 281,732	\$ 234,879	\$ 928,881	\$ 6,172,747

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2021**

Total fund balances - governmental funds	\$ 2,550,725
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources; therefore, they are not reported as assets in the governmental funds. Total cost is \$44,961,873 and accumulated depreciation is \$13,494,108.	31,467,765
Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures; therefore, they are deferred inflow of resources in the governmental funds.	222,625
Future rents receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures; therefore, they are deferred inflows of resources in the governmental funds.	32,997
Deferred inflows and outflows of resources related to pensions are applicable to future periods; therefore, they are not reported within the governmental funds. Deferred inflows and outflows related to pensions are as follows:	
Deferred outflows - see footnotes for details	1,021,592
Deferred inflows - see footnotes for details	(1,234,033)
Deferred inflows of resources related to OPEB are applicable to future periods; therefore, they are not reported within the governmental funds. Deferred inflows related to OPEB are as follows:	
Deferred outflows - see footnotes for details	801,545
Deferred inflows - see footnotes for details	(550,007)
Long-term liabilities are not due and payable in the current period; therefore, they are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:	
General obligation notes	(1,233,000)
Capital lease-purchase obligation	(75,969)
Net pension liabilities	(3,358,216)
OPEB liabilities	(3,924,733)
	<u>(8,591,918)</u>
Total net position - governmental activities	\$ 25,721,291

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS**

Year Ended December 31, 2021

	General Fund	Day Care Debt Service Fund	General Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 1,870,325	\$ -	\$ 196,849	\$ 321,740	\$ 2,388,914
Local enabling act taxes	2,027,527	-	-	-	2,027,527
Licenses and permits	60,409	-	-	-	60,409
Fines	469,353	-	-	-	469,353
Investment income	7,631	25	495	1,678	9,829
Rents	52,118	17,450	-	-	69,568
Intergovernmental revenue	1,483,921	-	-	771,935	2,255,856
Charges for service	1,052,568	-	-	-	1,052,568
Miscellaneous income	162,156	15,547	-	196	177,899
Total revenues	7,186,008	33,022	197,344	1,095,549	8,511,923
Expenditures					
Current					
General government	1,173,839	-	29,000	133,646	1,336,485
Public safety	3,628,115	-	-	130,984	3,759,099
Public works	1,865,952	-	-	137,260	2,003,212
Culture and recreation	32,909	-	-	152,487	185,396
Community development	3,950	-	-	-	3,950
Debt service					
Principal	14,652	-	109,170	101,348	225,170
Interest	324	-	22,641	3,402	26,367
Capital outlay					
General government	7,027	-	-	-	7,027
Public safety	6,000	-	-	24,727	30,727
Public works	260,211	-	-	211,930	472,141
Culture and recreation	12,767	-	-	35,923	48,690
Total expenditures	7,005,746	-	160,811	931,707	8,098,264
Excess of revenues over expenditures	180,262	33,022	36,533	163,842	413,659
Other Financing Sources (Uses)					
Proceeds from issuance of refunding debt	-	-	1,267,000	-	1,267,000
Refunding of debt	-	-	(1,236,035)	-	(1,236,035)
Refund of prior years' revenues	(47,894)	-	-	-	(47,894)
Refund of prior years' expenditures	134,017	-	-	15,774	149,791
Proceeds from sale of capital assets	1,016	-	-	-	1,016
Operating transfers in	96,479	-	-	22,625	119,104
Operating transfers out	-	-	-	(93,104)	(93,104)
Total other financing sources (uses) - net	183,618	-	30,965	(54,705)	159,878
Net changes in fund balances	363,880	33,022	67,498	109,137	573,537
Fund Balances (Deficit) - January 1, 2021	1,465,474	(321,939)	148,771	684,882	1,977,188
Fund Balances (Deficit) - December 31, 2021	\$ 1,829,354	\$ (288,917)	\$ 216,269	\$ 794,019	\$ 2,550,725

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2021**

Net changes in fund balances (deficit) - governmental funds	\$ 573,537
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the costs of those assets are allocated as depreciation expense over the assets' useful lives. This is the amount by which depreciation expenses exceeds capital outlays.</p>	
Capital outlays	558,585
Less depreciation expense	<u>(1,101,017)</u>
	(542,432)
<p>Because some property taxes will not be collected for several months after the Town's calendar year ends, they are not considered "available" revenues in the governmental funds. Deferred inflows of resources decreased by this amount.</p>	
	(176)
<p>Changes in net pension liabilities and deferred outflows and inflows related to pensions do not require the use of current financial resources; therefore, these changes are not reported as expenditures in the governmental funds but are reported as expenses in the Statement of Activities.</p>	
	133,285
<p>Changes in OPEB liabilities and deferred outflows and inflows related to OPEB do not require the use of current financial resources; therefore, these changes are not reported as expenditures in the governmental funds but are reported as expenses in the Statement of Activities.</p>	
	(24,772)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal consumes current financial resources. Neither transaction has any effect on net position. Also, governmental funds report the effects of issuance costs, premiums, discounts, and similar items when debt is issued. These amounts are deferred and amortized in the Statement of Activities. Following are the effects of differences in the treatment of long-term debt and related items.</p>	
Repayment of general obligation notes	1,372,182
Repayment of capital lease-purchase obligation	89,023
Issuance of general obligation notes	<u>(1,267,000)</u>
	194,205
Changes in net position of governmental activities	<u>\$ 333,647</u>

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

STATEMENT OF NET POSITION - PROPRIETARY FUND
December 31, 2021

Assets	
Cash and cash equivalents	\$ 541,466
Receivables	127,801
Prepaid expenses	6,824
Capital assets, net of depreciation	610,578
Total assets	<u><u>\$ 1,286,669</u></u>
Deferred Outflows of Resources	
Deferred amounts on pension liability	\$ 112,009
Deferred amounts on OPEB liability	45,327
Total deferred outflows of resources	<u><u>\$ 157,336</u></u>
Liabilities	
Internal balances	\$ 42,024
Accounts payable	15,150
Accrued payroll	8,156
Unearned revenue	6,760
Long-term liabilities	
OPEB liability	352,886
Net pension liability	291,682
Total long-term liabilities	<u>644,568</u>
Total liabilities	<u><u>\$ 716,658</u></u>
Deferred Inflows of Resources	
Deferred amounts on pension liability	\$ 143,291
Deferred amounts on OPEB liability	63,293
Total deferred inflows of resources	<u><u>\$ 206,584</u></u>
Net Position	
Net investment in capital assets	\$ 610,578
Unrestricted	(89,815)
Total net position	<u><u>\$ 520,763</u></u>

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - PROPRIETARY FUND
Year Ended December 31, 2021**

Operating Revenues	
Sale of materials	\$ 455,776
Charges for services	168,579
Other revenue	16,850
Total operating revenues	<u>641,205</u>
Operating Expenses	
Salaries and wages	278,702
Payroll taxes	21,244
Employee benefits	123,022
Supplies	36,796
Heat and utilities	13,861
Insurance	7,816
Trash removal	4,500
Weighing and shipping	12,827
Maintenance and repairs	44,791
Depreciation	79,148
Postage	3,957
Professional services	5,150
Small equipment	4,551
Communications expense	7,687
Training	549
Other	12,020
Total operating expenses	<u>656,621</u>
Operating loss	(15,416)
Nonoperating Income (Expense)	
Investment income	1,347
Grant proceeds	47,156
Operating transfers out	(26,000)
Nonoperating income - net	<u>22,503</u>
Changes in net position	7,087
Net Position:	
January 1, 2021	513,676
December 31, 2021	<u>\$ 520,763</u>

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

STATEMENT OF CASH FLOWS - PROPRIETARY FUND
Year Ended December 31, 2021

Cash Flows From Operating Activities	
Cash received from customers	\$ 559,404
Cash payments for goods and services	(132,114)
Cash payments to employees for services	(440,973)
Other operating expenses - paid from other funds	30,332
Other operating revenues - net	9,890
Net cash provided by operating activities	<u>26,539</u>
Cash Flows From Noncapital Financing Activities	
Operating grants received	47,156
Operating transfers to other funds	(26,000)
Net cash provided by noncapital financing activities	<u>21,156</u>
Cash Flows From Capital and Related Financing Activities	
Purchase of property, plant and equipment	<u>(12,164)</u>
Cash Flows From Investing Activities	
Interest received	<u>1,347</u>
Net change in cash and cash equivalents	36,878
Cash and Cash Equivalents:	
January 1, 2021	504,588
December 31, 2021	<u>\$ 541,466</u>
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities	
Operating loss	\$ (15,416)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	79,148
Changes in assets and liabilities:	
(Increase) decrease in:	
Receivables	(64,951)
Prepaid expenses	600
Deferred outflows of resources	44,480
(Decrease) increase in:	
Accounts payable	10,371
Internal balances	30,332
Accrued payroll	802
Unearned revenue	5,060
OPEB liability	(5,731)
Net pension liability	(77,819)
Deferred inflows of resources	19,663
Net cash provided by operating activities	<u>\$ 26,539</u>

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**STATEMENT OF FIDUCIARY NET POSITION
December 31, 2021**

	Pension Trust Funds	
	Municipal Employees' Retirement	Police
Assets		
Cash and cash equivalents	\$ 301,584	\$ 484,594
Investments	4,169,255	5,437,847
Interest receivable	8,512	9,884
Total assets	\$ 4,479,351	\$ 5,932,325
Net Position		
Restricted for:		
Municipal employees' retirement fund	\$ 4,479,351	\$ -
Police pension trust fund	-	5,932,325
Total net position	\$ 4,479,351	\$ 5,932,325

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended December 31, 2021**

	Pension Trust Funds	
	Municipal Employees' Retirement	Police
Additions		
Investment income	\$ 103,318	\$ 131,568
Contributions	292,527	480,063
Net appreciation in fair value of investments	257,859	363,056
Gain on sale of investment assets	101,691	121,167
Total additions	755,395	1,095,854
Deductions		
Benefits and claims	267,981	314,336
Administrative expenses	29,096	34,003
Total deductions	297,077	348,339
Changes in net position	458,318	747,515
Net Position - January 1, 2021	4,021,033	5,184,810
Net Position - December 31, 2021	\$ 4,479,351	\$ 5,932,325

See Notes to Financial Statements.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of Activities:

The Town of Bloomsburg, Columbia County, Pennsylvania (the "Town") was established on March 4, 1870, by a special act of the Pennsylvania Legislature. The Town is the only incorporated town in the Commonwealth of Pennsylvania. Corporate powers of the Town are vested in a Mayor and a six-member Council. The Town provides the following services: general; public safety (police and fire); health and human; sanitation; highways, roads and streets; culture and recreation; conservation and development; recycling; and parking.

The accompanying financial statements present the government and its component units, entities for which the Town is considered to be financially accountable or which are significant to the operations of the Town. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Town.

Discretely Presented Component Units:

Norris Rock Pool

The Bloomsburg Swimming Pool was constructed in 1955. In 1989, the pool was renamed the Norris Rock Memorial Swimming Pool in memory of Norris Rock who had managed the pool free of charge for many years. The assets associated with the pool are held by the Town. At the end of calendar year 2015 Council approved dissolving the investment fund in order to place it into the main operational account for the pool.

Municipal Authority of the Town of Bloomsburg

The Municipal Authority of the Town of Bloomsburg (Authority) was incorporated on October 7, 1950, under the Municipality Authorities Act of 1945, P.L. 382, as amended, pursuant to an ordinance of the Town Council of the Town of Bloomsburg, Columbia County, Pennsylvania.

The Authority is an operating authority responsible for acquiring, holding, constructing, improving, owning and leasing sewer, sewer systems or parts thereof.

The Board of the Authority consists of five members who are appointed for a five-year term by Bloomsburg Town Council with one member's term expiring each year.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements:

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The Town complies with accounting principles generally accepted in the United States of America (GAAP) and applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (assets plus deferred outflows of resources less liabilities less deferred inflows of resources) are used as a practical measure of economic resources, and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as an expense against current operations and accumulated depreciation is reported in the Statement of Net Position.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued):

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The Day Care Debt Service Fund, accounts for the 2010 General Obligation Notes issued in the amount of \$223,805 in order to finance the construction of the Columbia Day Care Center. This note was paid in full during 2018.

The General Debt Service Fund, accounts for the 2014, 2016 and 2021 issuances of General Obligation Notes in the amount of \$400,000, \$1,500,000 and \$1,267,000, respectively. The 2014 and 2016 Notes provide funds for the construction and acquisition of certain capital assets within the Town. The 2021 Note refunded the outstanding principal amount of the 2016 Note during 2021.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued):

The government reports the following major proprietary fund:

The Recycling Fund accounts for the financing of services to the general public where all or most of the costs involved are paid in the form of charges to the users of such services.

Proprietary funds distinguish operating revenue and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Recycling Fund is the sale of recycled materials and charges for recycling services. The principal operating revenue of the Norris Rock Pool is charges for services. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenue or expenses.

Additionally, the government reports the following fund types:

The Pension Trust Funds account for the activities of the Municipal Employees and Police Pension Plans. These Trust Funds accumulate resources for pension benefit payments to qualified employees.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets and Budgetary Accounting: Town Council adopts budgets for certain governmental funds on the modified accrual basis. The Town also adopts a budget for the enterprise fund on the accrual basis. Annual budgets are adopted for the general, enterprise and debt service funds. Town Council also adopts a budget for the State Liquid Fuels Highway Aid Fund, Library, Fire and Street Lighting Funds, which are in the Special Revenue Funds. All annual appropriations lapse at the end of each year and must be re-appropriated.

Cash Equivalents: For purposes of the Statement of Cash Flows, the Town considers time deposits, certificates of deposit, and all highly-liquid debt instruments with original maturities of three months or less to be cash equivalents.

Investments: Investments are recorded at fair value or at amortized cost, depending on the investment type, consistent with generally accepted accounting principles.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued):

Receivables and Payables: Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the year is referred to as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items (consumption method) in both the government-wide and fund financial statements.

Capital Assets and Depreciation: Capital assets, including property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets may be purchased or constructed and are recorded at cost or estimated historical cost. Estimated historical costs are based either on similar assets of the same era or on deflated current values. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized.

Long-Term Liabilities: In the government-wide financial statements, and proprietary fund types presented in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities columns in the Statement of Net Position. In the fund financial statements, governmental fund types, the face amount of the debt issued is reported as other financing sources.

Compensated Absences: Town employees earn vacation annually, January 1; based upon the number of years employed. An employee is not eligible for vacation until they have completed one year of continuous service with the Town. Employees earn varying amounts of sick leave each month based off years of service. Employees receive no benefit or pay for unused sick leave upon termination. At the end of the year, any unused vacation up to 40 hours is paid to the employee. Accumulated vacation is paid upon termination. Since substantially all accrued vacation will be paid within one year, the Town has reflected the accrual as a liability in the applicable funds.

Deferred Inflows of Resources - Unearned Revenues: The Town recognizes the property tax revenues when they become available. Available includes those property tax receivables expected to be collected within sixty days after year-end. Those property tax receivables expected to be collected after sixty days after year-end are shown as deferred inflows of resources in the fund financial statements. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued):

Fund Balance:

The Town's fund balance classifications are defined and described as follows:

Non-spendable: Represents fund balance amounts that cannot be spent because they are not in a spendable form or are contractually required to be maintained intact.

Restricted: Represents fund balance amounts that are constrained for a specific purpose through restrictions of external parties, through constitutional provisions, or by enabling legislation.

Committed: Represents fund balance amounts that can only be used for specific purposes pursuant to the constraints imposed by formal action of the Council, the Town's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Council removes the constraints or changes the specified purpose through the same action it used to commit the funds.

Assigned: Represents fund balance amounts that are constrained by the government's intent to be used for a specific purpose but are neither restricted nor committed. Through Town policy, the Council has delegated the authority to express intent to the Town Administrator.

Unassigned: Represents fund balance amounts that have not been restricted, committed, or assigned to specific purposes within the general fund.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events: In preparing these financial statements, the Town has evaluated events and transactions for potential recognition or disclosure through May 13, 2022, the date the financial statements were available to be issued.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 2. Legal Compliance - Budgets

The Town utilizes the following procedures to establish the budgetary data reflected in the financial statements:

1. During November, the Town makes available to the public its proposed operating budget for all funds. The operating budget includes proposed expenditures, revenue and arrangements.
2. Prior to December 31, the Town holds a public hearing to obtain taxpayer comments after which the budget is legally adopted through passage of an ordinance.
3. All budget revisions require the approval of Town Council.

Formal budgetary integration is utilized as a management control device during the year for certain Governmental Funds.

Note 3. Deposits and Investments

Statutes authorize the Town to invest in the following:

- U. S. Treasury Bills
- Short-term obligations of the U. S. Government and Federal agencies
- Insured savings and checking accounts and certificates of deposit in banks, savings and loan associations and credit unions
- General obligation bonds of the Federal Government, the Commonwealth of Pennsylvania or any state agency or of any Pennsylvania political subdivision
- Shares of investment companies whose investments are restricted to the above categories

The deposit and investment policies of the Town adhere to state statutes and prudent business practices. There were no deposit or investment transactions during the year that violated either state statutes or Town policies.

Deposits: Custodial-Credit Risk

Custodial-credit risk is the risk that in the event of a bank failure, the Town's deposits and/or investments may not be returned to it. A summary of the Town's deposits at December 31, 2021, are shown below:

	Carrying Amount	Bank Balance	Financial Institution
Insured (FDIC)	\$ 250,000	\$ 250,000	First Columbia Bank & Trust
Uninsured, collateralized in accordance with Act 72	6,509,258	6,521,490	First Columbia Bank & Trust
	<u>\$ 6,759,258</u>	<u>\$ 6,771,490</u>	

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (Continued)

Deposits: Custodial-Credit Risk (Continued):

All deposits of the Town are either insured or collateralized. All deposits that exceed the Federal depository insurance coverage level are collateralized under the Pooling Method. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities maintained in conformity with Act 72 of 1971. Act 72 of 1971 is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis; and authorizing the appointment of custodians to act as pledgers of the assets. The Town has no policy regarding custodial credit risk for deposits.

Investments

The Town categorizes its fair value measures within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. As of December 31, 2021, the Town does not hold any investments in Governmental or Business-Type Activities, which are subject to the fair value measurements and valuation input classifications.

Weighted-Average Maturity

The weighted-average maturity (WAM) method expresses investment time horizons - the time when investments become due and payable - in years or months, weighted to reflect the dollar size of individual investments within an investment type. In this illustration, WAMs are computed for each investment type. The portfolio's WAM is derived by dollar-weighting the WAM for each investment type.

Interest-Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentrations of Credit Risk

The Town places no limit on the amounts invested in any one issuer.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 4. Receivables

Receivables as of December 31, 2021, for the government’s individual major and non-major funds are as follows:

	General Fund	Day Care Debt Service Fund	General Debt Service Fund	Non-Major Governmental Funds	Total Governmental Funds
Receivables:					
Taxes	\$ 173,374	\$ -	\$ -	\$ 30,641	\$ 204,015
Future rents	-	223,014	-	-	223,014
Others	288,325	-	24,380	89,317	402,022
	<u>\$ 461,699</u>	<u>\$ 223,014</u>	<u>\$ 24,380</u>	<u>\$ 119,960</u>	<u>\$ 829,053</u>

The proprietary fund receivable balance generally consists of customer charges at December 31, 2021.

Note 5. Property Taxes

Property taxes are levied on March 1 for the tax year. Taxes are payable at a 2% discount if paid before May 1 and at a 10% penalty if paid after the due date of June 30. Outstanding real estate taxes are turned over to a delinquent tax collector on the first of January of each year. After proper notification is made to a property owner, a lien is filed on or about May 1 and must remain in effect for a period of two years before a tax sale may occur. Taxes are recorded as revenue by the Town when received from the tax collector, and proper accruals are recorded at year-end. The Town has not established an allowance for uncollectible taxes since experience has demonstrated that substantially all taxes are ultimately collectible. The total assessed valuation for the 2021 taxes is \$126,519,596. The Town is permitted by law to levy taxes up to \$3.00 per \$100 of assessed valuation for general governmental purposes. The General Fund tax rate for the year ended December 31, 2021, was 12.135 mills.

In addition, the Town is permitted to levy the following real estate taxes per \$100 of assessed valuation:

Purpose	Maximum Levy Allowable Under the Law
Debt service	An amount sufficient to meet debt service requirements
Persons, retirement Pensions	\$.05
Shade trees	\$.01
Street lighting	\$.80
Support of fire companies	\$.30
Buildings	\$.20
Libraries	No limit
Ambulance and rescue	\$.05

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 6. Future Rents Receivable

On April 1, 1988, the Town entered into an agreement to lease a day care facility to Columbia Day Care Program, Inc., ("Day Care") for a term of 50 years. The facility was financed substantially by issuance, through the U. S. Farmers Home Administration ("FmHA"), of the Town's Series A and Series B 1988 General Obligation Notes. During 2010, these notes were part of the Town's debt refinancing of the 2010 General Obligation Note, which was paid in full during 2018.

Under the terms of the lease with the Day Care, the Town is to receive monthly rentals based upon the following formula:

During the first forty-eight months, rents will equal the Town's monthly debt service payment to FmHA on the Town's 1988 Series General Obligation Notes.

During months 49 to 360, monthly rents will equal the sum of:

- (a) A portion of the Town's monthly debt service payment to First Columbia Bank & Trust on the Town's Sinking Fund 2010 General Obligation Note.
- (b) An amount equal to $1/312$ of the sum of the cost of the site and the Town's proceeds used in the construction of improvements.
- (c) An amount equal to the assessed value of the leased premises multiplied by the Town's then current annual real estate millage rate divided by twelve.

The amounts in parts (b) and (c) of the above formula may not exceed \$668 per month.

During months 361 to 600, monthly rent will equal \$668 multiplied by the Consumer Price Index compounded annually since April 1988.

The Town has classified this lease as a direct financing lease and, accordingly, has capitalized the future rents receivable and has recorded deferred revenue to account for the related unearned rents. The deferred revenues are being amortized using the straight-line method over the 50-year life of the lease.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 7. Property, Plant and Equipment

Capital assets, which include property, plant and equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market values at dates of donation.

The costs of normal maintenance and repairs that do not add to the values of assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction phases of business-type capital assets is included as part of the capitalized value of the assets constructed.

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

<u>Assets</u>	<u>Years</u>
Buildings/Building Improvements	40
Public Domain Infrastructure	50
Vehicles and Equipment	3-10
Land Improvements/Other Improvements	15-40

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 7. Property, Plant and Equipment (Continued)

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 2,825,385	\$ -	\$ -	\$ 2,825,385
Construction-in-progress	13,888,026	149,831	13,673,814	364,043
Total capital assets not being depreciated	16,713,411	149,831	13,673,814	3,189,428
Capital assets, being depreciated				
Land improvements	7,823,524	826,074	-	8,649,598
Buildings and improvements	9,988,320	19,526	-	10,007,846
Machinery and equipment	5,577,900	72,955	25,197	5,625,658
Infrastructure	4,325,330	13,164,013	-	17,489,343
Total capital assets being depreciated	27,715,074	14,082,568	25,197	41,772,445
Less accumulated depreciation for:				
Land improvements	(3,526,242)	(331,093)	-	(3,857,335)
Buildings and improvements	(2,792,459)	(247,806)	-	(3,040,265)
Machinery and equipment	(4,275,647)	(209,324)	(25,197)	(4,459,774)
Infrastructure	(1,823,940)	(312,794)	-	(2,136,734)
Total accumulated depreciation	(12,418,288)	(1,101,017)	(25,197)	(13,494,108)
Total capital assets being depreciated, net	15,296,786	12,981,551	-	28,278,337
Governmental Activities Capital assets, net	\$ 32,010,197	\$ 13,131,382	\$ 13,673,814	\$ 31,467,765

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 7. Property, Plant and Equipment (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activity				
Capital assets being depreciated				
Land improvements	\$ 441,822	\$ -	\$ -	\$ 441,822
Buildings and improvements	791,353	-	-	791,353
Machinery and equipment	1,858,910	12,163	-	1,871,073
Total capital assets being depreciated	3,092,085	12,163	-	3,104,248
Less accumulated depreciation for:				
Land improvements	(215,359)	(14,532)	-	(229,891)
Buildings and improvements	(590,540)	(19,574)	-	(610,114)
Machinery and equipment	(1,608,624)	(45,041)	-	(1,653,665)
Total accumulated depreciation	(2,414,523)	(79,147)	-	(2,493,670)
Total capital assets being depreciated, net	677,562	(66,984)	-	610,578
Business-Type Activity Capital assets, net	\$ 677,562	\$ (66,984)	\$ -	\$ 610,578

Depreciation expense was charged to functions/programs of the primary government as follows:

	Amount
Governmental Activities:	
General government	\$ 623,893
Public safety	156,938
Public works	162,636
Culture and recreation	157,550
Total depreciation expense - governmental activities	\$ 1,101,017
Business-Type Activity:	
Recycling	\$ 79,147

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 8. Interfund Balances and Interfund Transfers

Individual fund receivable and payable balances at December 31, 2021, are as follows:

Fund	Interfund Receivables	Interfund Payables
General	\$ 84,091	\$ -
Airport Expansion	-	3,150
CDBG Entitlement Program	-	4,601
CDBG Home Program	-	501
Fire	-	16,760
Street Lighting	-	6,465
Library	-	4,090
Recycling	-	42,024
UDAG	-	6,500
	\$ 84,091	\$ 84,091

All interfund receivable/payable balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All balances are expected to be repaid within the following year.

Individual fund transfers during the year ended December 31, 2021, are as follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 96,479	\$ -
Airport Expansion	5	-
State Liquid Fuels	-	55,687
CDBG Home Program	-	37,412
Fire	22,620	-
Recycling	-	26,000
CDBG Program Income	-	5
	\$ 119,104	\$ 119,104

These transfers are initiated in the normal course of operations to address individual fund needs throughout the year.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Liabilities

The following is a schedule of the long-term liabilities at December 31, 2021:

	January 1, 2021	Increases	Decreases	December 31, 2021	Due within One Year
Governmental Activities					
Long-term obligations - Notes Payable (Note 10)	\$ 1,338,182	\$ 1,267,000	\$ (1,372,182)	\$ 1,233,000	\$ 91,000
Capital lease-purchase obligation (Note 11)	164,992	-	(89,023)	75,969	75,969
Total governmental activities long-term liabilities	\$ 1,503,174	\$ 1,267,000	\$ (1,461,205)	\$ 1,308,969	\$ 166,969
Component Unit - Norris Rock Pool					
Long-term obligations - Notes Payable (Note 10)	\$ -	\$ 1,104,000	\$ -	\$ 1,104,000	\$ 21,000
Total governmental activities long-term liabilities	\$ -	\$ 1,104,000	\$ -	\$ 1,104,000	\$ 21,000

For the governmental activities, notes are either liquidated by the general fund transferring amounts to the debt service fund or through the applicable special revenue fund for principal and interest payments. Sick and vacation liabilities, net pension liabilities and other post-employment benefit obligations are primarily funded by the general fund and special revenue funds to which the related expenditures are charged. The Town's capital lease obligations are primarily funded by the general fund or the applicable special revenue fund in which the asset relating to the lease is held.

The Town issues general obligation notes to provide funds primarily for the acquisition and construction of major capital facilities. General obligation bonds and notes have only been issued for governmental activities.

Note 10. Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in applicable governmental activities.

General Obligation Notes - Series A of 2014 - In May 2014, the Town issued General Obligation Notes - Series A of 2014, in the principal amount of \$350,000. The proceeds of the note were used to purchase a fire engine. The note bears interest at 2.41% and requires 82 monthly payments of \$4,538, consisting of principal and interest, beginning July 1, 2014. This note was paid in full during the year ended December 31, 2021.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 10. Long-Term Obligations (Continued)

General Obligation Notes - Series B of 2014 - In December 2014, the Town issued General Obligation Notes - Series B of 2014, in the principal amount of \$400,000. The proceeds of the note were used to fund several construction projects and equipment purchases. The note bears interest at 2.41% and requires 84 monthly payments of \$5,186, consisting of principal and interest, beginning January 1, 2015. This note was paid in full during the year ended December 31, 2021.

General Obligation Notes - Series of 2016 - In March 2016, the Town issued General Obligation Notes - Series of 2016, a Commercial Draw Term Note, in the amount of \$1,500,000. The proceeds of the note were used to fund several construction projects and equipment purchases. The note bore interest at 3.02% and required payments of interest only on the principal amounts advanced for the first 9 months. Following the interest only period, bi-weekly payments consisting of principal and interest, will be made over an eighteen-year period. This note was paid in full with the issuance of General Obligation Notes – Series A of 2021 during the year ended December 31, 2021.

General Obligation Notes - Series A of 2021 - In March 2021, the Town issued General Obligation Notes - Series A of 2021, in the amount of \$1,267,000. The proceeds of the note were used to refund the outstanding principal amount of the General Obligation Notes – Series of 2016. The note bears interest at 1.50% through June 1, 2026, at which point the rate increases to 3.00% through the maturity date of the note. Bi-annual payments consisting of principal and interest, will be made over a fourteen-year period. This note’s maturity date is December 1, 2034.

General Obligation Notes - Series B of 2021 - In March 2021, the Town issued, on behalf of the Norris Rock Pool, General Obligation Notes - Series B of 2021, in the amount of \$1,104,000. The proceeds of the note were used to fund several construction projects. The note bears interest at 2.13% through June 1, 2026, at which point the rate increases to 3.50% through the maturity date of the note. Interest-only payments were made during 2021. Bi-annual payments consisting of principal and interest, will be made over a twenty-year period. This note’s maturity date is December 1, 2040.

The annual requirements to amortize the General Obligation Notes outstanding as of December 31, 2021, are as follows:

Year Ending December 31:	Principal Maturity	Interest Maturity	Debt Service Payment
2022	\$ 112,000	\$ 41,104	\$ 153,104
2023	114,000	39,277	153,277
2024	116,000	37,416	153,416
2025	118,000	35,523	153,523
2026	114,000	39,401	153,401
2027-2031	580,000	186,851	766,851
2032-2036	612,000	152,575	764,575
2037-2040	571,000	40,828	611,828
	\$ 2,337,000	\$ 572,975	\$ 2,909,975

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 11. Capital Lease-Purchase Obligations

The Town maintains capital leases for the acquisition of a police vehicle and a street sweeper. The capital lease for the acquisition of the police vehicle is payable in annual installments beginning March 2020, at an interest rate of 2.21% per annum. The capital lease for the acquisition of the street sweeper is payable in annual installments beginning April 2020, at an interest rate of 2.80% per annum.

Assets acquired under capital leases are as follows:

	Amount
Machinery and equipment	\$ 291,418
Less accumulated depreciation	(32,239)
	<u>\$ 259,179</u>

Annual requirements for capital leases at December 31, 2021, are as follows:

Year Ending December 31:	Amount
2022	<u>\$ 77,602</u>
Total minimum lease payments	77,602
Less: amount representing interest	(1,633)
Total present value of net minimum lease payments	<u>\$ 75,969</u>

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 12. Police Pension Plan

Plan Description

Plan Administration

The Retirement Board administers the Town of Bloomsburg Police Pension Plan (Police Pension Plan) - a single-employer defined benefit pension plan that covers all full-time Town of Bloomsburg police officers.

Plan Membership

For the 2021 measurement period, Police Pension Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	11
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	17
	<hr/>
	29
	<hr/> <hr/>

Benefits Provided

The Police Pension Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as 50% of the member's average monthly compensation during his final 36 months of employment plus a Service Increment Benefit if applicable. Plan members with 25 years of service are eligible to retire at age 50 (55 if hired after 12/31/14). All plan members are eligible for disability benefits if termination of employment as the result of a service-connected disablement. Disability retirement benefits are equal to 25% of the member's average monthly compensation during his final 36 months of employment plus an additional 2% for each year of service in excess of 15 years. Death benefits for a terminated vested member who is not killed-in-service, his spouse will receive 50% of the monthly benefit the member was scheduled to receive. Death benefits for a member who is killed-in-service, his spouse will receive a monthly benefit payable for life equal to 100% of the member's base monthly pay.

Cost-of-living adjustments to each member's retirement benefit are given each January 1 following retirement. The adjustment is a percentage of the change in the Consumer Price Index. Maximum cost-of-living is 30% of initial retirement benefit.

Contributions

An actuarially determined contribution is recommended by the plan actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance an unfunded accrued liability. For the 2021 measurement period, the active member contribution rate was 5.0 percent of annual pay, and the Town average contribution rate was 28.55 percent of annual payroll.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 12. Police Pension Plan (Continued)

Deposits and Investments

Deposits

Custodial-Credit Risk: Custodial-credit risk is the risk that in the event of a bank failure, the Police Pension Plan deposits and/or investments may not be returned to it. At December 31, 2021, the Police Pension Plan had deposits with financial institutions with a carrying amount of \$484,594. Of the December 31, 2021, balance; \$250,000 was covered by federal depository insurance and \$234,594 was covered by collateralized assets maintained in conformity with Act 72 of 1971.

Investments

Method used to value investments: Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. By contract, an independent appraisal is obtained once every year to determine the fair market value of the real estate assets. The Police Pension Plan categorizes its fair value measures within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All investments are reported at fair value as Level 1 investments under GASB Statement No. 72.

Investment policy: The Police Pension Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's asset allocation policy for the 2021 measurement period:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	55 - 65%
International equity	5 - 10%
Fixed income	15 - 20%
Real estate	0%
Cash	15 - 20%
	<u>100%</u>

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 12. Police Pension Plan (Continued)

Investments (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation for the 2021 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.4 - 6.4%
International equity	5.5 - 6.5%
Fixed income	1.3 - 3.3%
Real estate	4.5 - 5.5%
Cash	0.0 - 1.0%

As of December 31, 2021, the Police Pension Plan had the following investments:

Investment Type	Percent of Total	Fair Value	Investment Maturities (in years)	
			Less Than 1	1-5
<u>Debt Securities</u>				
Negotiable Certificates of Deposit	2.43%	\$ 132,073	\$ -	\$ 132,073
Municipal Bonds	0.79%	42,969	-	42,969
Corporate Bonds and Notes	12.43%	676,026	60,602	615,424
		<u>\$ 851,068</u>	<u>\$ 60,602</u>	<u>\$ 790,466</u>
<u>Other Investments</u>				
Income Mutual Funds	10.78%	\$ 586,080		
Equity Mutual Funds	15.46%	840,763		
Equity Securities	58.11%	3,159,936		
Total Investments		<u>\$ 5,437,847</u>		

The investment objective of the Police Pension Plan is to maintain a balanced portfolio comprised of various securities.

Concentration Risk - The Police Pension Plan limits that no more than 5% of the total fund value can be invested in any one corporate bond or 5% in any one stock. The Pension Committee limits the equities to no more than 50% of the value of the funds. The percentages of the concentrations of the Police Pension Plan investments are documented on the table above.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 12. Police Pension Plan (Continued)

Investments (Continued)

Custodial Credit Risk - For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Police Pension Plan will not be able to recover the value of its investments or collateral security that in the possession of the outside party.

Credit Risk - The Police Pension Plan has an investment policy which limits investment choices to those with specific credit ratings.

Rate of Return: For the year ended December 31, 2021, the annual money-weighted rate of return on Police Pension Plan investments, net of pension plan investment expense, was 12.04%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability reported at December 31, 2021, was measured as of December 31, 2021, and the total pension liability was determined by rolling forward the liabilities from an actuarial valuation as of January 1, 2021. No significant events or changes in assumptions occurred between the valuation date and the calendar year-end. The Town reported a liability of \$2,260,941 as of December 31, 2021, related to the Police Pension Plan.

Changes in the total pension liability, plan fiduciary net position, and net pension liability for the Police Pension Plan during the current year were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Changes in Net Pension Liability			
Balances at December 31, 2020	\$ 7,914,887	\$ 5,184,810	\$ 2,730,077
Service cost	212,808	-	212,808
Interest	566,304	-	566,304
Differences between expected and actual experience	(162,192)	-	(162,192)
Changes of assumptions	(24,205)	-	(24,205)
Contributions - employer	-	235,338	(235,338)
Contributions - member	-	72,023	(72,023)
Contributions - state aid	-	172,702	(172,702)
Net investment income	-	615,791	(615,791)
Benefit payments, including refunds	(314,336)	(314,336)	-
Plan administrative expenses	-	(34,003)	34,003
Net changes	278,379	747,515	(469,136)
Balances at December 31, 2021	\$ 8,193,266	\$ 5,932,325	\$ 2,260,941

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 12. Police Pension Plan (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2021, the Town recognized pension expense of \$182,649 related to the Police Pension Plan. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 18,148	\$ 240,689
Changes of assumptions	493,278	20,934
Net difference between projected and actual investment earnings	88,800	433,366
	<u>\$ 600,226</u>	<u>\$ 694,989</u>

The amounts reported as deferred outflows of resources and deferred inflows or resources related to Police Pension Plan will be recognized in pension expense as follows:

Year Ending December 31:	Total
2022	\$ 27,807
2023	(83,672)
2024	(17,750)
2025	(2,013)
2026	16,128
Thereafter	(35,263)
	<u>\$ (94,763)</u>

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

Inflation	3.0%
Salary Increases	5.0% (average including inflation)
Investment rate of return	7.25% (including inflation)

Mortality rates were based on the PubS-2010 with MP2020 projection.

The actuarial assumptions used in the valuation for the 2021 measurement period were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan.

No ad hoc postemployment benefit changes were included in future liability.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 12. Police Pension Plan (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e. no depletion date is projected to occur).

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Police Pension Plan, calculated using the discount rate of 7.25 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 3,483,296	\$ 2,260,941	\$ 1,233,500

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 13. Municipal Employees Pension Plan

Plan Description

Plan Administration

The Retirement Board administers the Town of Bloomsburg Municipal Employees Pension Plan (Municipal Employees Pension Plan) - a single-employer defined benefit pension plan that covers all employees of the Town except the Mayor, the members of Town Council, Bloomsburg Police Department consultants, engineers and solicitors are excluded from membership.

Plan Membership

For the 2021 measurement period, Municipal Employees Pension Plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	16
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	28
	<hr/>
	50
	<hr/>

Benefits Provided

The Municipal Employees Pension Plan provides retirement, disability, and death benefits. Retirement benefits for plan members are calculated as 1.50 percent of the member's highest 3-year average salary times the member's years of service. Plan members with 15 years of service are eligible to retire at age 60. All plan members are eligible for disability benefits after 5 years of service if disabled while in service and unable to continue as a Town employee. Disability retirement benefits are equal to the accrued benefit at the time of disability, actuarially reduced and payable immediately. Death benefits for a member who dies with 5 years of service will receive a monthly pension payable for 120 months, equal in amount to 100% of the member's accrued benefits. A plan member who leaves with less than 5 years of service will receive a refund of his or her contributions, plus any accumulated interest.

On an ad hoc basis, cost-of-living adjustments to each member's retirement benefit may be given. The adjustment, should the Town elect to give one, is a percentage of the change in the Consumer Price Index.

Contributions

An actuarially determined contribution is recommended by the plan actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance an unfunded accrued liability. For the 2021 measurement period, the active member contribution rate was 0.0 percent of annual pay, and the Town average contribution rate was 22.46 percent of annual payroll.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 13. Municipal Employees Pension Plan (Continued)

Deposits and Investments

Deposits

Custodial-Credit Risk: Custodial-credit risk is the risk that in the event of a bank failure, the Municipal Employees Pension Plan deposits and/or investments may not be returned to it. At December 31, 2021, the Municipal Employees Pension Plan had deposits with financial institutions with a carrying amount of \$301,584. Of the December 31, 2021 balance, \$250,000 was covered by federal depository insurance and \$51,584 was covered by collateralized assets maintained in conformity with Act 72 of 1971.

Investments

Method used to value investments: Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. By contract, an independent appraisal is obtained once every year to determine the fair market value of the real estate assets. The Municipal Employees Pension Plan categorizes its fair value measures within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All investments are reported at fair value as Level 1 investments under GASB Statement No. 72.

Investment policy: The Municipal Employees Pension Plan's policy in regard to the allocation of invested assets is established and may be amended by the Board by a majority vote of its members. It is the policy of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The following was the Board's asset allocation policy for the 2021 measurement period:

<u>Asset Class</u>	<u>Target Allocation</u>
Domestic equity	50 - 70%
International equity	0%
Fixed income	15 - 25%
Real estate	0%
Cash	15 - 25%
	<u>100%</u>

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 13. Municipal Employees Pension Plan (Continued)

Investments (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation for the 2021 measurement period (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return
Domestic equity	5.4 - 6.4%
International equity	5.5 - 6.5%
Fixed income	1.3 - 3.3%
Real estate	4.5 - 5.5%
Cash	0.0 - 1.0%

As of December 31, 2021, the Municipal Employees Pension Plan had the following investments:

Investment Type	Percent of Total	Fair Value	Investment Maturities (in years)	
			Less Than 1	1-5
<u>Debt Securities</u>				
Negotiable Certificates of Deposit	4.70%	\$ 195,970	\$ 74,463	\$ 121,507
Municipal Bonds	1.03%	42,969	-	42,969
Corporate Bonds and Notes	13.38%	557,783	60,602	497,181
		\$ 796,722	\$ 135,065	\$ 661,657
<u>Other investments</u>				
Income Mutual Funds	7.68%	\$ 320,304		
Equity Mutual Funds	15.69%	654,171		
Equity Securities	57.52%	2,398,058		
Total Investments		\$ 4,169,255		

The investment objective of the Municipal Employees Pension Plan is to maintain a balanced portfolio comprised of various securities.

Concentration Risk - The Municipal Employees Pension Plan limits that no more than 5% of the total fund value can be invested in any one corporate bond or 5% in any one stock. The Pension Committee limits the equities to no more than 50% of the value of the funds. The percentages of the concentrations of the Municipal Employees Pension Plan investments at December 31, 2021, are documented on the table above.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 13. Municipal Employees Pension Plan (Continued)

Investments (Continued)

Custodial-Credit Risk - For an investment, custodial-credit risk is the risk that, in the event of the failure of the counterparty, the Municipal Employees Pension Plan will not be able to recover the value of its investments or collateral security that are in the possession of an outside party.

Credit Risk - The Municipal Employees Pension Plan has an investment policy which limits investment choices to those with specific credit ratings.

Rate-of-Return - For the year ended December 31, 2021, the annual money-weighted rate-of-return on Municipal Employees Pension Plan investments, net of pension plan investment expense, was 11.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for amounts actually invested.

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

The net pension liability reported at December 31, 2021, was measured as of December 31, 2021, and the total pension liability was determined by rolling forward the liabilities from an actuarial valuation as of January 1, 2021. No significant events or changes in assumptions occurred between the valuation date and the calendar year end. The Town reported a liability of \$1,388,957 as of December 31, 2021, related to the Municipal Employees Pension Plan.

Changes in the total pension liability, plan fiduciary net position, and net pension liability for the Municipal Employees Pension Plan during the current year were as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2020	\$ 5,780,558	\$ 4,021,034	\$ 1,759,524
Service cost	108,693	-	108,693
Interest	407,252	-	407,252
Differences between expected and actual experience	(140,339)	-	(140,339)
Changes of assumptions	(19,876)	-	(19,876)
Contributions - employer	-	148,609	(148,609)
Contributions - state aid	-	143,918	(143,918)
Net investment income	-	462,868	(462,868)
Benefit payments, including refunds	(267,980)	(267,980)	-
Plan administrative expenses	-	(29,098)	29,098
Net changes	87,750	458,317	(370,567)
Balances at December 31, 2021	\$ 5,868,308	\$ 4,479,351	\$ 1,388,957

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 13. Municipal Employees Pension Plan (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the year ended December 31, 2021, the Town recognized pension expense of \$46,590 related to the Municipal Employees Pension Plan. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to the Municipal Employees Pension Plan from the following resources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 325,452
Changes of assumptions	462,343	17,077
Net difference between projected and actual investment earnings	71,032	339,806
	<u>\$ 533,375</u>	<u>\$ 682,335</u>

The amounts reported as deferred outflows of resources and deferred inflows or resources related to Municipal Employees Pension Plan will be recognized in pension expense as follows:

Year Ending December 31:	Total
2022	\$ (47,574)
2023	(118,608)
2024	(42,311)
2025	(28,164)
2026	8,305
Thereafter	79,392
	<u>\$ (148,960)</u>

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

Inflation	3.0%
Salary Increases	4.5% (average including inflation)
Investment rate of return	7.25% (including inflation)

Mortality rates were based on the PubG-2010 Mortality Table with MP2020 projections.

The actuarial assumptions used in the valuation for the 2021 measurement period were based on past experience under the plan and reasonable future expectations which represent our best estimate of anticipated experience under the plan.

No ad hoc postemployment benefit changes were included in future liability.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 13. Municipal Employees Pension Plan (Continued)

Net Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Town contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e. no depletion date is projected to occur).

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Municipal Employees Pension Plan, calculated using the discount rate of 7.25 percent, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	\$ 2,272,338	\$ 1,388,957	\$ 650,709

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 14. Police Other Post-Employment Benefits Plan

Plan Description and Benefits

Effective January 1, 2018, the Town adheres to Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits and life insurance benefits provided by the Town. The Town's healthcare plan related to police officers is a single-employer defined benefit healthcare plan. The plan provides health benefits, including prescription drug coverage, to eligible retirees and their spouses. The Town does not maintain or accumulate any assets within a trust in accordance with paragraph 4 of GASB Statement No. 75. The plan does not issue any financial report and is not included in the report of any public employee retirement system or any other entity.

Eligibility

Police officers are eligible for lifetime retiree health benefits once they attain age 50 with 25 years of service. Employees may elect to cover their spouses at retirement. Spousal coverage continues for lifetime until his/her death. The same contribution requirements outlined for employees apply to spouses (or surviving spouses). The Town pays the full cost of coverage for all employees hired prior to January 1, 1993, who have all retired. For employees hired on/after January 1, 1993 and retired on/after age 65, the Town provides a stipend for purchase of health coverage elsewhere. The annual stipend provided to retirees is \$3,600 in 2020 and 2021. There is no subsidy provided by the Town for employees hired on/after January 1, 1993 who retire prior to age 65, however, they are eligible for the stipend benefit as well when they become eligible for Medicare upon proof of continuous health care coverage between the date of retirement and Medicare eligibility. In addition, upon retirement, police officers are eligible for a life insurance policy in the amount of \$10,000 with premiums paid by the Town.

Funding Policy:

The plan is insured, and premiums are updated annually based on several factors determined by the plan underwriters. The Town funds payment of the full premium for all police officers and eligible retired officers.

Employees Covered by Benefit Terms:

For the year ended December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	13
Active employees	18
	<hr/>
	31
	<hr/> <hr/>

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 14. Police Other Post-Employment Benefits Plan (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEB

At December 31, 2021, the Town reported a liability of \$2,513,194 for the total OPEB liability. The total OPEB liability was measured as of December 31, 2021, and was determined by an actuarial valuation as of January 1, 2021. The OPEB liability is composed of the following:

	Amount
Total OPEB Liability, beginning	<u>\$ 2,712,305</u>
Changes for the year	
Service cost	88,513
Interest	58,277
Changes of benefit terms	(79,856)
Differences between expected and actual experience	(176,048)
Changes of assumptions	14,369
Benefit payments	(104,366)
Net Changes	<u>(199,111)</u>
Total OPEB Liability, ending	<u><u>\$ 2,513,194</u></u>

For the year ended December 31, 2021, the Town recognized OPEB expense of \$121,077. At December 31, 2021, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,758	\$ 202,994
Changes of assumptions	613,478	93,833
	<u>\$ 620,236</u>	<u>\$ 296,827</u>

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 14. Police Other Post-Employment Benefits Plan (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Outflows Related to OPEB (continued):

Of the total amount reported as deferred outflows of resources related to OPEB, \$-0-, resulting from the Town's benefit payments subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the OPEB liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in the Town's OPEB expense as follows:

<u>Year Ending December 31:</u>	<u>Total</u>
2022	\$ 54,143
2023	54,143
2024	54,143
2025	54,143
2026	54,140
Thereafter	52,697
	<u>\$ 323,409</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation - 2.40%
- Salary Increases - 5.00%
- Discount Rate - 2.05%
- Mortality Tables:
 - Pub-2010 Public Safety Headcount-Weighted Mortality table projected fully generationally using MP-2021 improvement scale
- Health Care Cost Trends - 6.00% from 2021 to 2022, decreasing to an ultimate rate of 4.04% by 2075

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 14. Police Other Post-Employment Benefits Plan (Continued)

Sensitivity of the Town's Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town calculated using the discount rate of 2.05% as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.05%) or one percentage point higher (3.05%) than the current discount rate:

	1% Decrease 1.05%	Current Discount Rate 2.05%	1% Increase 3.05%
Total OPEB liability	\$ 2,989,361	\$ 2,513,194	\$ 2,141,391

Sensitivity of the Town's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town calculated using the health care cost trend rates of 6.00% decreasing to 4.04%, as well as what the total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 2,089,391	\$ 2,513,194	\$ 3,076,270

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 15. Municipal Employees Other Post-Employment Benefits Plan

Plan Description and Benefits

Effective January 1, 2018, the Town adheres to Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for certain postemployment healthcare benefits and life insurance benefits provided by the Town. The Town's healthcare plan related to municipal employees is a single-employer defined benefit healthcare plan. The plan provides health benefits, including prescription drug coverage, to eligible retirees and their spouses. The Town does not maintain or accumulate any assets within a trust in accordance with paragraph 4 of GASB Statement No. 75. The plan does not issue any financial report and is not included in the report of any public employee retirement system or any other entity.

Eligibility

Municipal employees hired prior to January 1, 2008, are eligible for lifetime retiree health benefits once they reach age 60 with 15 years of service or age 65 with 5 years of service with the Town. Employees hired on or after January 1, 2008 are not eligible for retiree health benefits. There is no spousal coverage available to municipal employees at retirement. There is no contribution required for retiree health benefits for eligible employees. The Town pays the full cost of coverage for retirees prior to Medicare eligibility. Upon Medicare eligibility, the town provides a stipend for purchase of health coverage elsewhere. The annual stipend provided to retirees is \$3,300. Same benefit options are available to active employees and retirees. The Town's health plans are fully-insured for active and pre-Medicare retirees.

Funding Policy

The plan is insured, and premiums are updated annually based on several factors determined by the plan underwriters. The Town funds payment of the full premium for all municipal employees and eligible retirees.

Employees Covered by Benefit Terms

For the year ended December 31, 2021, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	11
Active employees	11
	<hr/>
	22
	<hr/>

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 15. Municipal Employees Other Post-Employment Benefits Plan (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources Related to OPEB

At December 31, 2021, the Town reported a liability of \$1,764,425 for the total OPEB liability. The total OPEB liability was measured as of December 31, 2021 and was determined by an actuarial valuation as of January 1, 2021. The OPEB liability is composed of the following:

	Amount
Total OPEB Liability, beginning	\$ 1,793,082
Changes for the year	
Service cost	64,826
Interest	38,758
Differences between expected and actual experience	(82,306)
Changes of assumptions	9,815
Benefit payments	(59,750)
Net Changes	(28,657)
Total OPEB Liability, ending	\$ 1,764,425

For the year ended December 31, 2021, the Town recognized OPEB expense of \$69,827. At December 31, 2021, the Town reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 280,346
Changes of assumptions	226,636	36,127
	\$ 226,636	\$ 316,473

Of the total amount reported as deferred outflows of resources related to OPEB, \$-0-, resulting from the Town's benefit payments subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the OPEB liability in the year ending December 31, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in the Town's OPEB expense as follows:

Year Ending December 31:	Total
2022	\$ (33,757)
2023	(33,759)
2024	(22,321)
	\$ (89,837)

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 15. Municipal Employees Other Post-Employment Benefits Plan (Continued)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of January 1, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation - 2.40%
- Salary Increases - 4.50%
- Discount Rate - 2.05%
- Mortality Table - Pub-2010 General Headcount-Weighted Mortality table projected fully generationally using MP-2021 improvement scale
- Health Care Cost Trends – 6.00% from 2021 to 2022, decreasing to an ultimate rate of 4.04% by 2075

Sensitivity of the Town's OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Town calculated using the discount rate of 2.05% as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.05%) or one percentage point higher (3.05%) than the current discount rate:

	1% Decrease 1.05%	Current Discount Rate 2.05%	1% Increase 3.05%
Total OPEB liability	\$ 1,969,017	\$ 1,764,425	\$ 1,593,234

Sensitivity of the Town's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the Town calculated using the health care cost trend rates of 6.00% decreasing to 4.04%, as well as what the total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 1,561,632	\$ 1,764,425	\$ 2,008,772

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 16. Related Party Transactions

During 2021, the Town did not have any related party transactions with the Municipal Authority of the Town of Bloomsburg.

Note 17. Unexpended Grant Balance

The Town participates in a UDAG Grant Program that provided a loan to aid a local industry in updating machinery and equipment. Under the terms of the Grant, as the loan is repaid to the Town, the repaid funds are available to be reprogrammed into the Town, so long as the reprogrammed activities are eligible under Title I of the Housing and Community Development Act of 1974.

Note 18. Post-Retirement Health Care Benefits

In addition to providing pension benefits, the Town provides certain healthcare benefits for retired employees. Substantially all of the Town's employees may become eligible for these benefits if they reach normal retirement age while working for the Town. The costs of retiree healthcare benefits are expensed as paid. For the year ended December 31, 2021, those costs approximated \$155,671. Approximately \$6,143 was reimbursed to the Town by its employees.

Note 19. Deferred Compensation Plan

The Town has adopted the Pennsylvania State Association of Boroughs Deferred Compensation Plan and the 457 Deferred Compensation Plan for employees of state and local governments. Both plans have been created in accordance with Internal Revenue Code Section 457(g). The Plan, available to all Town employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the participants and beneficiaries under the Plan. Participants' rights under the plans are equal to an amount equal to the fair market value of the deferred account for each participant.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 20. Non-Major Funds

The following funds are reported as non-major governmental funds:

Special Revenue Funds

The UDAG Repayment Fund accounts for funds received from the repayment of the Community Development Fund UDAG Grant. As the UDAG Grant Loan is repaid to the Towns, the funds are made available for activities eligible under Title I of the Housing and Community Development Act of 1974.

The State Liquid Fuels Highway Aid Fund provides for the accountability for grants received from the State Motor License Fund. Costs paid by this fund must be related to the construction, reconstruction, repair and maintenance of the Town's streets, roads and bridges.

The Community Development Block Grant (CDBG) Program Income Fund, a special revenue fund, accounts for the income derived from rehabilitation loans.

The CDBG Entitlement Program Fund accounts for grants received from the Federal government under the Community Development Block Grant Program for various improvements to the Town.

The CDBG Disaster Recovery Fund is a special revenue fund, accounts for grants received from the Federal government under the Community Development Block Grant Program for improvements of flood and drainage facilities and sidewalks.

The Home Program Fund, a special revenue fund, accounts for grants received from the Federal government under the Community Development Block Grant Program for rehabilitation of homes in the Town.

The Fire Fund, a special revenue fund, accounts for additional monies collected from Fire Fund millage to be used for future fire purchases or payments. Additionally, this fund accounts for the 2014 issuance of a General Obligation Note in the amount of \$350,000, which was used towards the purchase of a fire truck in 2014.

The Library Fund accounts for the receipt of tax monies from a special millage designated for support of the Bloomsburg Public Library.

The Street Lighting Fund accounts for the receipt of tax monies from a special millage designated for support of the Town's street lights.

Capital Projects Funds

The Airport Expansion Fund accounts for grants received from the FAA and the Commonwealth of Pennsylvania for expansion of the Town's municipal airport. The Town also agrees to forever keep and maintain the airport as a public airport. Failure to do so would subject the Town to immediate repayment of the grant contributions.

TOWN OF BLOOMSBURG

NOTES TO FINANCIAL STATEMENTS

Note 21. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets and errors or omissions. Significant losses are covered by commercial insurance for all major programs. For insured programs, there have been no significant reductions in settlement coverage. Settlement amounts have not exceeded insurance coverage for the current or three prior years.

Developments arising from the coronavirus pandemic and efforts to mitigate the disease's domestic and global impacts have impacted the operations and finances of municipalities. Changes in service approach, labor and personnel changes, facility closings, contracted service disruptions, personal protective equipment purchases, and technological equipment acquisitions have affected all municipalities. Unstable conditions enhance municipalities' risk factors as they have significant reliance on revenues from taxpayers and governmental agencies to fund their operations. These factors impact revenue recognition, cash flows and liquidity, and contingencies. Presently, the ultimate, effects of this crisis on financial position, results of operations, and cash flows are indeterminable because the duration of the crisis is also indeterminable; however, management continues to monitor developments.

The Town is exposed to various liability claims and potential litigation arising from normal operations. The Town maintains customary, business-insurance policies designed to limit the financial impacts of such matters.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF BLOOMSBURG

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes				
Property	\$ 1,868,994	\$ 1,868,994	\$ 1,870,325	\$ 1,331
Local enabling act taxes	1,915,000	1,915,000	2,027,527	112,527
Licenses and permits	60,500	60,500	60,409	(91)
Fines	555,230	555,230	469,353	(85,877)
Investment income	9,500	9,500	7,631	(1,869)
Rents	42,420	42,420	52,118	9,698
Intergovernmental revenue	501,910	501,910	1,483,921	982,011
Charges for services	646,100	646,100	1,052,568	406,468
Miscellaneous income	102,105	102,105	162,156	60,051
Total revenues	5,701,759	5,701,759	7,186,008	1,484,249
Expenditures				
Current				
General government	1,002,370	1,002,370	1,173,839	(171,469)
Public safety	3,413,089	3,413,089	3,628,115	(215,026)
Public works	1,299,680	1,299,680	1,865,952	(566,272)
Culture and recreation	56,900	56,900	32,909	23,991
Community development	-	-	3,950	(3,950)
Debt Service				
Principal	15,375	15,375	14,652	723
Interest	345	345	324	21
Capital outlay				
General government	-	-	7,027	(7,027)
Public safety	-	-	6,000	(6,000)
Public works	-	-	260,211	(260,211)
Culture and recreation	-	-	12,767	(12,767)
Total expenditures	5,787,759	5,787,759	7,005,746	(1,217,987)
Excess (deficiency) of revenues over expenditures	(86,000)	(86,000)	180,262	266,262
Other Financing Sources (Uses)				
Refund of prior years' revenues	-	-	(47,894)	(47,894)
Refund of prior years' expenditures	-	-	134,017	134,017
Proceeds from sale of capital assets	-	-	1,016	1,016
Operating transfers in	86,000	86,000	96,479	10,479
Total other financing sources - net	86,000	86,000	183,618	97,618
Excess of revenues and other financing sources over expenditures and other financing uses	\$ -	\$ -	363,880	\$ 363,880
Fund Balances - January 1, 2021			1,465,474	
Fund Balances - December 31, 2021			<u>\$ 1,829,354</u>	

TOWN OF BLOOMSBURG

SCHEDULES OF CHANGES IN THE POLICE PENSION PLAN'S NET PENSION LIABILITY AND RELATED RATIOS
Year Ended December 31,

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service cost	\$ 212,808	\$ 189,803	\$ 189,803	\$ 152,288	\$ 152,288	\$ 134,190	\$ 134,190
Interest	566,304	546,996	473,706	476,952	454,471	434,225	416,655
Differences between expected and actual experience	(162,192)	-	(165,902)	-	9,547	-	78,698
Changes of assumptions	(24,205)	-	689,260	-	-	-	408,993
Benefit payments, including refunds of member contributions	(314,336)	(347,675)	(336,269)	(316,567)	(316,567)	(316,567)	(316,567)
Net Change in Total Pension Liability	278,379	389,124	850,598	312,673	299,739	251,848	721,969
Total pension liability, beginning	7,914,887	7,525,763	6,675,165	6,362,492	6,062,753	5,810,905	5,088,936
Total pension liability, ending (a)	\$ 8,193,266	\$ 7,914,887	\$ 7,525,763	\$ 6,675,165	\$ 6,362,492	\$ 6,062,753	\$ 5,810,905
Plan Fiduciary Net Position							
Contributions, employer	\$ 235,338	\$ 100,511	\$ 90,362	\$ 102,666	\$ 142,999	\$ 148,654	\$ -
Contributions, member	72,023	62,625	68,521	64,578	61,615	50,853	45,986
Contributions, state aid	172,702	177,258	184,338	168,638	162,090	155,163	205,948
Net investment income	615,791	435,472	785,118	(136,894)	407,006	292,567	20,504
Benefit payments, including refunds of members contributions	(314,336)	(347,675)	(336,269)	(316,567)	(316,567)	(316,567)	(316,567)
Administrative expense	(34,003)	(36,097)	(28,761)	(30,549)	(29,343)	(21,651)	(21,851)
Other	-	-	-	-	-	459	6,743
Net Change in Plan Fiduciary Net Position	747,515	392,094	763,309	(148,128)	427,800	309,478	(59,237)
Plan fiduciary net position, beginning	5,184,810	4,792,716	4,029,407	4,177,535	3,749,735	3,440,257	3,499,494
Plan fiduciary net position, ending (b)	\$ 5,932,325	\$ 5,184,810	\$ 4,792,716	\$ 4,029,407	\$ 4,177,535	\$ 3,749,735	\$ 3,440,257
Net pension liability, ending (a)-(b)	\$ 2,260,941	\$ 2,730,077	\$ 2,733,047	\$ 2,645,758	\$ 2,184,957	\$ 2,313,018	\$ 2,370,648
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.40%	65.51%	63.68%	60.36%	65.66%	61.85%	59.20%
Covered Payroll	\$ 1,429,385	\$ 1,395,361	\$ 1,328,915	\$ 1,307,868	\$ 1,245,589	\$ 1,096,472	\$ 1,044,259
Net Pension Liability as a Percentage of Covered Payroll	158.18%	195.65%	205.66%	202.30%	175.42%	210.95%	227.02%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.

TOWN OF BLOOMSBURG

**SCHEDULES OF POLICE PENSION PLAN CONTRIBUTIONS
Year Ended December 31,**

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 408,040	\$ 277,769	\$ 274,700	\$ 271,304	\$ 305,089	\$ 303,817	\$ 205,948
Contributions in Relation to the Actuarially Determined Contribution	408,040	277,769	274,700	271,304	305,089	304,276	212,691
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (459)	\$ (6,743)
Covered Payroll	\$ 1,429,385	\$ 1,395,361	\$ 1,328,915	\$ 1,307,868	\$ 1,245,589	\$ 1,096,472	\$ 1,044,249
Contribution as a Percentage of Covered Payroll	28.55%	19.91%	20.67%	20.74%	24.49%	27.75%	20.37%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.

TOWN OF BLOOMSBURG

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - POLICE PENSION PLAN

Year Ended December 31, 2021

Valuation Date January 1, 2021

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization method	14 years
Asset valuation method	Smoothed asset value
Inflation	3.0%
Salary increases	5.0% average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation
Retirement age	Age 50 or 55 with 25 years service
Mortality	PubS-2010 with MP2020 projection

TOWN OF BLOOMSBURG

SCHEDULES OF POLICE PENSION PLAN INVESTMENT RETURNS

Years Ended December 31,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	<u>12.04%</u>	<u>9.31%</u>	<u>19.91%</u>	<u>(3.35)%</u>	<u>11.20%</u>	<u>2.54%</u>	<u>NA</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.

TOWN OF BLOOMSBURG

SCHEDULES OF CHANGES IN THE MUNICIPAL EMPLOYEES PENSION PLAN'S
NET PENSION LIABILITY AND RELATED RATIOS
Year Ended December 31,

	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service cost	\$ 108,693	\$ 132,877	\$ 132,877	\$ 108,396	\$ 108,396	\$ 117,430	\$ 117,430
Interest	407,252	399,337	343,043	344,832	338,371	317,477	298,807
Differences between expected and actual experience	(140,339)	-	(128,147)	-	(181,738)	-	(77,124)
Changes of assumptions	(19,876)	-	541,180	-	-	-	203,734
Benefit payments, including refunds of member contributions	(267,980)	(249,374)	(232,187)	(199,675)	(158,816)	(136,164)	(197,354)
Net Change in Total Pension Liability	87,750	282,840	656,766	253,553	106,213	298,743	345,493
Total pension liability, beginning	5,780,559	5,497,719	4,840,953	4,587,400	4,481,187	4,182,444	3,836,951
Total pension liability, ending (a)	\$ 5,868,309	\$ 5,780,559	\$ 5,497,719	\$ 4,840,953	\$ 4,587,400	\$ 4,481,187	\$ 4,182,444
Plan Fiduciary Net Position							
Contributions, employer	\$ 148,609	\$ 52,911	\$ 60,653	\$ 70,355	\$ -	\$ -	\$ -
Contributions, state aid	143,918	147,715	148,494	135,847	136,146	137,938	194,173
Net investment income	462,868	341,043	604,635	(113,127)	326,379	244,451	23,110
Benefit payments, including refunds of members contributions	(267,980)	(249,374)	(232,187)	(199,675)	(158,816)	(136,164)	(197,354)
Administrative expense	(29,097)	(32,210)	(25,199)	(27,271)	(26,682)	(19,408)	(19,471)
Other	-	-	-	-	-	252	-
Net Change in Plan Fiduciary Net Position	458,318	260,085	556,396	(133,871)	277,027	227,069	458
Plan fiduciary net position, beginning	4,021,034	3,760,949	3,204,553	3,338,424	3,061,397	2,834,328	2,833,870
Plan fiduciary net position, ending (b)	\$ 4,479,352	\$ 4,021,034	\$ 3,760,949	\$ 3,204,553	\$ 3,338,424	\$ 3,061,397	\$ 2,834,328
Net pension liability, ending (a)-(b)	\$ 1,388,957	\$ 1,759,525	\$ 1,736,770	\$ 1,636,400	\$ 1,248,976	\$ 1,419,790	\$ 1,348,116
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.33%	69.56%	68.41%	66.20%	72.77%	68.32%	67.77%
Covered Payroll	\$ 1,302,637	\$ 1,459,869	\$ 1,397,004	\$ 1,368,816	\$ 1,309,872	\$ 1,500,602	\$ 1,435,983
Net Pension Liability as a Percentage of Covered Payroll	106.63%	120.53%	124.32%	119.55%	95.35%	94.61%	93.88%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.

TOWN OF BLOOMSBURG

SCHEDULES OF MUNICIPAL EMPLOYEES PENSION PLAN CONTRIBUTIONS
Year Ended December 31,

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 292,527	\$ 200,626	\$ 209,147	\$ 206,202	\$ 136,146	\$ 137,938	\$ 194,173
Contributions in Relation to the Actuarially Determined Contribution	292,527	200,626	209,147	206,202	136,146	138,190	194,173
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (252)	\$ -
Covered Payroll	\$ 1,302,637	\$ 1,459,869	\$ 1,397,004	\$ 1,368,816	\$ 1,309,872	\$ 1,500,602	\$ 1,435,983
Contribution as a Percentage of Covered Payroll	22.46%	13.74%	14.97%	15.06%	10.39%	9.21%	13.52%

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TOWN OF BLOOMSBURG

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - MUNICIPAL EMPLOYEES PENSION PLAN
Year Ended December 31, 2021**

Valuation Date January 1, 2021

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization method	16 years
Asset valuation method	Smoothed asset value
Inflation	3.0%
Salary increases	4.5% average, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation
Retirement age	Age 65 or 60 with 15 years service
Mortality	PubG-2010 Mortality Table with MP2020 projections

TOWN OF BLOOMSBURG

SCHEDULES OF MUNICIPAL EMPLOYEES PENSION PLAN INVESTMENT RETURNS

Years Ended December 31,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	<u>11.79%</u>	<u>9.33%</u>	<u>19.37%</u>	<u>(3.46)%</u>	<u>10.93%</u>	<u>2.68%</u>	<u>NA</u>

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information for those years for which information is available is shown.

TOWN OF BLOOMSBURG

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF CHANGES IN THE POLICE OPEB PLAN'S
OPEB LIABILITY AND RELATED RATIOS
Years Ended December 31,**

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 88,513	\$ 70,785	\$ 38,042	\$ 44,942
Interest	58,277	68,928	76,611	70,146
Changes of benefit terms	(79,856)	-	-	-
Differences between expected and actual experience	(176,048)	(65,270)	10,136	-
Changes of assumptions	14,369	254,085	615,515	(168,897)
Benefit payments	(104,366)	(121,264)	(121,263)	(107,857)
Net change in total OPEB liability	(199,111)	207,264	619,041	(161,666)
Total OPEB Liability - beginning	2,712,305	2,505,041	1,886,000	2,047,666
Total OPEB Liability - ending	<u>\$ 2,513,194</u>	<u>\$ 2,712,305</u>	<u>\$ 2,505,041</u>	<u>\$ 1,886,000</u>
Covered-employee payroll	<u>\$ 1,152,930</u>	<u>\$ 1,282,276</u>	<u>\$ 1,306,550</u>	<u>\$ 1,219,834</u>
Total OPEB liability as a percentage of covered-employee payroll	217.98%	211.52%	191.73%	154.61%

Notes to Schedule:

Changes of Assumptions: The discount rate changed from 2.12% to 2.05%.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

TOWN OF BLOOMSBURG

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF CHANGES IN THE MUNICIPAL EMPLOYEES OPEB PLAN'S
OPEB LIABILITY AND RELATED RATIOS
Years Ended December 31,**

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 64,826	\$ 56,329	\$ 45,460	\$ 50,256
Interest	38,758	47,763	69,473	59,981
Difference between expected and actual experience	(82,306)	(85,700)	(351,537)	-
Changes of assumptions	9,815	112,215	326,338	(108,379)
Benefit payments	(59,750)	(48,448)	(46,895)	(53,859)
Net change in total OPEB liability	(28,657)	82,159	42,839	(52,001)
Total OPEB Liability - beginning	1,793,082	1,710,923	1,668,084	1,720,085
Total OPEB Liability - ending	\$ 1,764,425	\$ 1,793,082	\$ 1,710,923	\$ 1,668,084
Covered-employee payroll	\$ 518,700	\$ 673,219	\$ 648,755	\$ 859,053
Total OPEB liability as a percentage of covered-employee payroll	340.16%	266.34%	263.72%	194.18%

Notes to Schedule:

Changes of Assumptions: The discount rate changed from 2.12% to 2.05%.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

SUPPLEMENTARY INFORMATION

TOWN OF BLOOMSBURG

COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS

December 31, 2021

	Airport Expansion Fund	Non-Major Special Revenue Funds	Total Non-Major Governmental Funds
Assets			
Cash and cash equivalents	\$ 1	\$ 791,151	\$ 791,152
Receivables	3,150	116,810	119,960
Prepaid expenses	-	17,769	17,769
Total assets	<u>\$ 3,151</u>	<u>\$ 925,730</u>	<u>\$ 928,881</u>
Liabilities			
Due to other funds	\$ 3,150	\$ 38,917	\$ 42,067
Accounts payable	1	62,153	62,154
Total liabilities	<u>3,151</u>	<u>101,070</u>	<u>104,221</u>
Deferred Inflows of Resources			
Property taxes receivable	-	30,641	30,641
Total deferred inflows of resources	<u>-</u>	<u>30,641</u>	<u>30,641</u>
Fund Balances			
Nonspendable	-	17,769	17,769
Restricted for			
Program expenditures	-	776,250	776,250
Total fund balances	<u>-</u>	<u>794,019</u>	<u>794,019</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 3,151</u>	<u>\$ 925,730</u>	<u>\$ 928,881</u>

TOWN OF BLOOMSBURG

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2021**

	Airport Expansion Fund	Non-Major Special Revenue Funds	Non-Major Governmental Funds
Revenues			
Property taxes	\$ -	\$ 321,740	\$ 321,740
Investment income	-	1,678	1,678
Intergovernmental revenue	3,336	768,599	771,935
Miscellaneous revenue	-	196	196
Total revenues	3,336	1,092,213	1,095,549
Expenditures			
Current			
General government	-	133,646	133,646
Public safety	-	130,984	130,984
Public works	3,341	133,919	137,260
Culture and recreation	-	152,487	152,487
Debt service			
Principal	-	101,348	101,348
Interest	-	3,402	3,402
Capital outlay			
Public safety	-	24,727	24,727
Public works	-	211,930	211,930
Culture and recreation	-	35,923	35,923
Total expenditures	3,341	928,366	931,707
Excess (deficiency) of revenues over expenditures	(5)	163,847	163,842
Other Financing Sources (Uses)			
Refund of prior years' expenditures	-	15,774	15,774
Operating transfers in	5	22,620	22,625
Operating transfers out	-	(93,104)	(93,104)
Total other financing sources (uses)	5	(54,710)	(54,705)
Net changes in fund balances	-	109,137	109,137
Fund Balances - January 1, 2021	-	684,882	684,882
Fund Balances - December 31, 2021	\$ -	\$ 794,019	\$ 794,019

TOWN OF BLOOMSBURG

COMBINING BALANCE SHEET - NON-MAJOR
SPECIAL REVENUE FUNDS
December 31, 2021

	UDAG Repayment Fund	State Liquid Fuels Highway Aid	CDBG Program Income	CDBG Entitlement Program Fund	CDBG Disaster Relief Fund	Home Program Fund	Fire	Library	Street Lighting	Total
Assets										
Cash and cash equivalents	\$ 287,232	\$ 131,896	\$ 36,053	\$ 4,911	\$ 1	\$ 512	\$ 221,666	\$ 4,200	\$ 104,680	\$ 791,151
Receivables	33,600	-	-	42,902	-	-	25,558	3,193	11,557	116,810
Prepaid expenses	11,000	-	-	-	-	-	6,769	-	-	17,769
Total assets	\$ 331,832	\$ 131,896	\$ 36,053	\$ 47,813	\$ 1	\$ 512	\$ 253,993	\$ 7,393	\$ 116,237	\$ 925,730
Liabilities										
Due to other funds	\$ 6,500	\$ -	\$ -	\$ 4,601	\$ -	\$ 501	\$ 16,760	\$ 4,090	\$ 6,465	\$ 38,917
Accounts payable	7,650	-	-	43,212	-	-	4,072	-	7,219	62,153
Total liabilities	14,150	-	-	47,813	-	501	20,832	4,090	13,684	101,070
Deferred Inflows of Resources										
Property taxes receivable	-	-	-	-	-	-	19,335	2,439	8,867	30,641
Total deferred inflows of resources	-	-	-	-	-	-	19,335	2,439	8,867	30,641
Fund Balances										
Nonspendable	11,000	-	-	-	-	-	6,769	-	-	17,769
Restricted for:										
Program expenditures	306,682	131,896	36,053	-	1	11	207,057	864	93,686	776,250
Total fund balances	317,682	131,896	36,053	-	1	11	213,826	864	93,686	794,019
Total liabilities, deferred inflows of resources and fund balances	\$ 331,832	\$ 131,896	\$ 36,053	\$ 47,813	\$ 1	\$ 512	\$ 253,993	\$ 7,393	\$ 116,237	\$ 925,730

TOWN OF BLOOMSBURG

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NON-MAJOR SPECIAL REVENUE FUNDS
 Year Ended December 31, 2021

	UDAG Repayment Fund	State Liquid Fuels Highway Aid	CDBG Program Income	CDBG Entitlement Program Fund	CDBG Disaster Relief Fund	Home Program Fund	Fire	Library	Street Lighting	Total
Revenues										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 205,586	\$ 25,698	\$ 90,456	\$ 321,740
Investment income	790	120	14	-	-	-	491	2	261	1,678
Intergovernmental revenue	-	369,640	-	343,959	-	-	55,000	-	-	768,599
Miscellaneous income	-	-	-	-	-	-	196	-	-	196
Total revenues	790	369,760	14	343,959	-	-	261,273	25,700	90,717	1,092,213
Expenditures										
Current										
General government	44,000	-	-	89,646	-	-	-	-	-	133,646
Public safety	-	-	-	-	-	-	130,984	-	-	130,984
Public works	-	38,849	-	22,270	-	-	-	-	72,800	133,919
Culture and recreation	9,447	-	-	115,950	-	-	-	27,090	-	152,487
Debt service										
Principal	-	74,370	-	-	-	-	26,978	-	-	101,348
Interest	-	3,232	-	-	-	-	170	-	-	3,402
Capital outlay										
Public safety	-	-	-	-	-	-	24,727	-	-	24,727
Public works	-	133,249	-	78,681	-	-	-	-	-	211,930
Culture and recreation	35,923	-	-	-	-	-	-	-	-	35,923
Total expenditures	89,370	249,700	-	306,547	-	-	182,859	27,090	72,800	928,366
Excess (deficiency) of revenues over expenditures	(88,580)	120,060	14	37,412	-	-	78,414	(1,390)	17,917	163,847
Other Financing Sources (Uses)										
Refund of prior years' expenditures	12,422	-	3,352	-	-	-	-	-	-	15,774
Operating transfers in	-	-	-	-	-	-	22,620	-	-	22,620
Operating transfers out	-	(55,687)	(5)	(37,412)	-	-	-	-	-	(93,104)
Total other financing sources (uses)	12,422	(55,687)	3,347	(37,412)	-	-	22,620	-	-	(54,710)
Net changes in fund balances	(76,158)	64,373	3,361	-	-	-	101,034	(1,390)	17,917	109,137
Fund Balances - January 1, 2021	393,840	67,523	32,692	-	1	11	112,792	2,254	75,769	684,882
Fund Balances - December 31, 2021	\$ 317,682	\$ 131,896	\$ 36,053	\$ -	\$ 1	\$ 11	\$ 213,826	\$ 864	\$ 93,686	\$ 794,019

TOWN OF BLOOMSBURG

COMBINING STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND
ACTUAL - ANNUALLY-BUDGETED SPECIAL REVENUE FUNDS
Year Ended December 31, 2021

	State Liquid Fuels Highway Aid			Library		
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Property taxes	\$ -	\$ -	\$ -	\$ 24,755	\$ 25,698	\$ 943
Investment income	175	120	(55)	1	2	1
Intergovernmental revenue	358,827	369,640	10,813	-	-	-
Miscellaneous revenue	-	-	-	-	-	-
Total revenues	359,002	369,760	10,758	24,756	25,700	944
Expenditures						
Current						
Public safety	-	-	-	-	-	-
Public works	224,114	38,849	185,265	-	-	-
Culture and recreation	-	-	-	24,756	27,090	(2,334)
Debt Service						
Principal	84,993	74,370	10,623	-	-	-
Interest	4,895	3,232	1,663	-	-	-
Capital outlay						
Public safety	-	-	-	-	-	-
Public works	-	133,249	(133,249)	-	-	-
Total expenditures	314,002	249,700	64,302	24,756	27,090	(2,334)
Excess (deficiency) of revenues over expenditures	45,000	120,060	75,060	-	(1,390)	(1,390)
Other Financing Sources (Uses)						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	(60,000)	(55,687)	4,313	-	-	-
Total other financing sources (uses) - net	(60,000)	(55,687)	4,313	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ (15,000)	\$ 64,373	\$ 79,373	\$ -	\$ (1,390)	\$ (1,390)

Fire			Street Lighting		
Original and Final Budget	Actual	Variance Favorable (Unfavorable)	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
\$ 202,725	\$ 205,586	\$ 2,861	\$ 92,420	\$ 90,456	\$ (1,964)
100	491	391	1,500	261	(1,239)
-	55,000	55,000	-	-	-
-	196	196	-	-	-
<u>202,825</u>	<u>261,273</u>	<u>58,448</u>	<u>93,920</u>	<u>90,717</u>	<u>(3,203)</u>
153,775	130,984	22,791	-	-	-
-	-	-	91,000	72,800	18,200
-	-	-	-	-	-
35,007	26,978	8,029	-	-	-
2,636	170	2,466	-	-	-
-	24,727	(24,727)	-	-	-
-	-	-	-	-	-
<u>191,418</u>	<u>182,859</u>	<u>8,559</u>	<u>91,000</u>	<u>72,800</u>	<u>18,200</u>
11,407	78,414	67,007	2,920	17,917	14,997
-	22,620	22,620	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>22,620</u>	<u>22,620</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 11,407</u>	<u>\$ 101,034</u>	<u>\$ 44,387</u>	<u>\$ 2,920</u>	<u>\$ 17,917</u>	<u>\$ 14,997</u>

TOWN OF BLOOMSBURG

COMBINING STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND
ACTUAL - ANNUALLY-BUDGETED DEBT SERVICE FUNDS
Year Ended December 31, 2021

	General Debt Service			Day Care Debt Service		
	Original and Final Budget	Actual	Variance Favorable (Unfavorable)	Original and Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues						
Property taxes	\$ 197,900	\$ 196,849	\$ (1,051)	\$ -	\$ -	\$ -
Investment income	1,000	495	(505)	10	25	15
Rents	-	-	-	17,650	17,450	(200)
Miscellaneous revenue	-	-	-	-	15,547	15,547
Total revenues	198,900	197,344	(1,556)	17,660	33,022	15,362
Expenditures						
General government	-	29,000	(29,000)	-	-	-
Debt service						
Principal	138,768	109,170	29,598	-	-	-
Interest	41,423	22,641	18,782	-	-	-
Total expenditures	180,191	160,811	19,380	-	-	-
Excess of revenues over expenditures	18,709	36,533	17,824	17,660	33,022	15,362
Other Financing Sources (Uses)						
Proceeds from issuance of refunding debt	-	1,267,000	1,267,000	-	-	-
Refunding of debt	-	(1,236,035)	(1,236,035)	-	-	-
Total other financing sources - net	-	30,965	30,965	-	-	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	\$ 18,709	\$ 67,498	\$ (13,141)	\$ 17,660	\$ 33,022	\$ 15,362

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Members of Town Council
Town of Bloomsburg
Bloomsburg, Pennsylvania

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activity, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Bloomsburg (the "Town") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated May 13, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Boyer & Ritten". The signature is written in black ink and is centered on the page.

Camp Hill, Pennsylvania
May 13, 2022

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Members of Town Council
Town of Bloomsburg
Bloomsburg, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Bloomsburg's (the "Town") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town of Bloomsburg's major federal programs for the year ended December 31, 2021. The Town of Bloomsburg's major federal program is identified in the summary of auditor's results section in the accompanying schedule of findings and questioned costs.

In our opinion, the Town of Bloomsburg complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Boyer & Ritter". The signature is written in black ink and is positioned in the center-right of the page.

Camp Hill, Pennsylvania
May 13, 2022

TOWN OF BLOOMSBURG
Schedule of Findings and Questioned Costs
Year Ended December 31, 2021

Section I -- Summary of Auditor's Results

Financial Statements

Type of report auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified: Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over the major programs:

- Material weakness (es) identified? Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) Yes X No

TOWN OF BLOOMSBURG
Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2021

Identification of the major programs:

CFDA Number(s)	Name of Program
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between
type A and type B programs \$750,000

Auditee qualified as low-risk auditee? X Yes No

Section II - Financial-Statement Findings

A. Significant Deficiency(ies) in Internal Control

There were no findings relating to the financial statement audit required to be reported.

B. Compliance Findings

There were no compliance findings relating to the financial statement audit required to be reported.

Section III - Federal Award Findings and Questioned Costs

A. Significant Deficiency(ies) in Internal Control

There were no significant deficiencies in internal controls relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

B. Compliance Findings

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

TOWN OF BLOOMSBURG

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor Program Title	Federal C.F.D.A. Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received in Fiscal Year	Accrued Revenue at 1/1/2021	Revenue Recognized	Expenditures	Accrued Revenue at 12/31/2021	Passed through to Subrecipients
U. S. Department of Housing and Urban Development:										
Community Development Block Grants/Entitlement Grants	14.218	NA	16-23	\$ 241,797	\$ 400	\$ -	\$ 400	\$ 400	\$ -	\$ -
Community Development Block Grants/Entitlement Grants	14.218	NA	17-24	\$ 237,837	401	-	401	401	-	-
Community Development Block Grants/Entitlement Grants	14.218	NA	18-25	\$ 265,616	33,527	-	33,527	33,527	-	-
Community Development Block Grants/Entitlement Grants	14.218	NA	19-26	\$ 256,394	84,323	-	109,439	109,439	25,116	-
Community Development Block Grants/Entitlement Grants	14.218	NA	20-27	\$ 274,628	87,114	-	87,114	87,114	-	-
Community Development Block Grants/Entitlement Grants	14.218	NA	21-28	\$ 261,529	48,100	-	59,136	59,136	11,036	-
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	NA	20-26	\$ 247,240	47,193	-	53,943	53,943	6,750	-
					<u>301,058</u>	<u>-</u>	<u>343,960</u>	<u>343,960</u>	<u>42,902</u>	<u>-</u>
Passed through the Pennsylvania Department of Community and Economic Development										
Community Development Block Grants/States Program	14.228	C000056516	13-20	\$ 2,120,473	2,980	2,980	-	-	-	-
Community Development Block Grants/States Program	14.228	C000062141	16-21	\$ 530,000	123,403	123,403	-	-	-	-
					<u>126,383</u>	<u>126,383</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Hurricane Sandy Community Development Block Grant Disaster Recovery Grants (CDBG-DR)										
	14.269	C000066861	17-20	\$ 9,550,000	566,645	566,645	-	-	-	-
Total U.S. Department of Housing and Urban Development					<u>994,086</u>	<u>693,028</u>	<u>343,960</u>	<u>343,960</u>	<u>42,902</u>	<u>-</u>
U. S. Department of Justice										
Passed through the Pennsylvania Emergency Management Agency										
Emergency Law Enforcement Assistance Grant	16.824	PEMA-2021-072	20-21	\$ 3,783	3,783	-	3,783	3,783	-	-
Total U.S. Department of Justice					<u>3,783</u>	<u>-</u>	<u>3,783</u>	<u>3,783</u>	<u>-</u>	<u>-</u>

(Continued)

TOWN OF BLOOMSBURG

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended December 31, 2021

Federal Grantor/Pass-Through Grantor Program Title	Federal C.F.D.A. Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received in Fiscal Year	Accrued Revenue at 1/1/2021	Revenue Recognized	Expenditures	Accrued Revenue at 12/31/2021	Passed through to Subrecipients
U. S. Department of Transportation										
Passed through the Pennsylvania Department of Transportation										
Highway Planning and Construction	20.205	034758	20-22	\$ 1,113,350	241,324	-	241,324	241,324	-	-
Total U.S. Department of Transportation					241,324	-	241,324	241,324	-	-
Federal Aviation Administration										
Passed through the Pennsylvania Department of Transportation										
Airport Improvement Program	20.106	ABG-2018-Town of Bloomsburg-00004	19-22	\$ 1,309,646	202,540	199,300	3,240	3,240	-	-
COVID-19 - Airport Improvement Program	20.106	ABG-2020-Town of Bloomsburg-00038	2020	\$ 30,000	30,000	17,500	12,500	12,500	-	-
Total Federal Aviation Administration					232,540	216,800	15,740	15,740	-	-
U. S. Department of the Treasury										
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	21-24	\$ 6,275,309	3,137,655	-	708,555	708,555	(2,429,100)	-
Total U.S. Department of the Treasury					3,137,655	-	708,555	708,555	(2,429,100)	-
Total Expenditures of Federal Awards					\$ 4,609,388	\$ 909,828	\$ 1,313,362	\$ 1,313,362	\$ (2,386,198)	\$ -

See Notes to Schedule of Expenditures of Federal Awards.

TOWN OF BLOOMSBURG

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the Federal-award activity of the Town under programs of the Federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement. Revenue is recognized when earned, and expenses are recognized when incurred. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The Town has not elected to use the 10 percent, de minimis, indirect-cost rate allowed under the Uniform Guidance.

TOWN OF BLOOMSBURG

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
Year Ended December 31, 2021

There were no prior year's audit findings.